



United States Department of the Interior

Integrated Charge Card Program Policy

Office of Acquisition & Property
Management



Revision History

Author	Draft Version Number	Revision Date	Revision Summary
David Carter, PAM	1 - 3	January, 2013	Initial Draft Policy
Bureau Lead & Alternate A/OPCs - Integrated Charge Card Program Partnership	3 - 13	February – May, 2013	Draft Policy Rewrite All Sections and Appendixes
David Carter, PAM	14.0	June - July, 2013	Quality Assurance
David Carter, PAM	15.0	August, 2013	For Comment



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SECTION 1 GENERAL ADMINISTRATIVE

1.0 – Program Introduction

The Department of the Interior's (DOI, the Department, Departmental) integrated charge card for travel, purchase, and fleet is J.P. Morgan's MasterCard (charge card). The card is specifically designed with "United States of America" printed next to the seal and the words "For Official Government Use Only, U.S. Department of the Interior, Tax Exempt ID 1400001849" embossed on the card to avoid being mistaken for a personal credit card. The only exceptions to using the DOI integrated charge card apply to fleet, e.g., vehicles in the GSA Interagency Fleet Management System, selected vehicles and aircraft in Canada during the summer fire season, and law enforcement.

Use of the card is subject to the [Government Charge Card Abuse and Prevention Act of 2012](#), DOI policy as prescribed in this document, and any Bureau/Office supplemental policy. The policies prescribed in this manual are designed to ensure sound program management and management controls. Cardholder accounts and records are not private and are subject to official review at any time.

The term "charge card" rather than "credit card" is used because cardholders are required to pay their individually billed balance in full upon receipt of the monthly statement of account. Credit is not being provided to spread payments over a period of time.

1.1 – Background

Executive Order 12931, *Federal Procurement Reforms* dated October 13, 1994, sets forth requirements for Federal agencies to establish programs for reducing administrative costs and other burdens that the acquisition function may impose on the Federal Government and private sector. In accordance with Federal Acquisition Regulation (FAR) Subpart 13.201(b), the Government-wide commercial purchase card (purchase card) shall be the preferred method of payment for micro-purchases. In accordance with FAR, Subpart 13.301, the purchase card may be used above the micro-purchase threshold by contracting officer, to place a task or delivery order (if authorized in the basic contract, basic ordering agreements, or blanket purchasing agreements, and Federal Supply Schedules). It can also be used as the method of payments when the contractor agrees to accept the purchase card.

The Federal Travel Regulation (FTR) (§301-51.1) mandates that the Government-issued charge card be used for all official travel expenses unless an exemption has been obtained. Obtaining exemptions from using the charge card for travel-related purposes can found in PFM's Temporary Duty Travel policy.

1.2 – Purpose

The purpose of the Department's Integrated Charge Card Program (ICCP) is to implement the General Services Administration (GSA) SmartPay® Program for Government-wide Commercial Purchase Cards and the Government Charge Card Abuse Prevention Act of 2012 (Pub L. 112-194) within DOI. Accordingly, the ICCP is responsible for providing policy and oversight regarding the use of purchase cards, convenience checks, and other types of accounts available to DOI for use in accomplishing specific goals outside of the normal purchase, travel, or fleet business line functionality, e.g., single use accounts, etc.



This policy governs the DOI's ICCP for official travel, purchase, and fleet transactions. PAM in cooperation with PFM is responsible for issuing this policy manual. Please address policy comments or questions to DOI ICCP Manager, U.S. Department of the Interior, 1849 C Street, N.W., Mail Stop - 4262, Washington, D.C. 20240. Additional information on the ICCP is available at <http://www.doi.gov/pam/programs/chargecard/index.cfm>.

1.3 – Applicability

The ICCP applies to DOI, Agency/Organization Program Coordinators (A/OPC), Approving Officials (AO), Cardholders, and all other DOI employees associated with the ICCP in other capacities.

Bureaus and Offices are encouraged to develop supplemental operational policies and guidance to further implement DOI's ICCP within their organization; however, Bureau supplemental policy is only authorized to be more restrictive, not less restrictive than the Department's policy. Supplemental policies must be submitted to the DOI ICCP Manager, who will coordinate with the Office of Acquisition and Property Management (PAM) and the Office of Financial Management's (PFM) for acceptance. If Bureau supplemental policy is found to be non-compliant with existing FAR, FTR, or DOI policy, it will be subject to required editing. Bureaus will be notified of the non-compliant issues contained in their supplemental policy, and be required to immediately rescind that section of their policy and re-submit an updated version of the supplemental policy. PAM and PFM will review within 30 days.

Bureau supplemental policy will address exceptions, e.g. seasonal employees, intermittent employees, etc. In addition, the bureau's supplemental policy must comply with FAR Subpart 37.104, *Personal Service Contract*, when using contractors in the A/OPC role. All participants have specific performance requirements to be met in their applicable roles. The ICCP participant's performance may be evaluated against its various roles and responsibility requirements.

1.4 – Program Objectives

The primary objectives of the ICCP are to improve mission support; streamline micro-purchases; reduce administrative costs and paperwork; streamline payment procedures; improve cash management practices; and improve management controls, reporting and decision-making activities while ensuring the adherence to Federal and Departmental acquisition and travel regulations, policies, guidance, and GSA SmartPay® 2 master contract provisions.

1.5 – Integrated Charge Card Program Policy Updates

Interim policy updates will be accomplished by using Department of the Interior Acquisition Policy Releases (DIAPR). PAM will publish updated policy when it is determined that the amount of DIAPRs disseminated has reached a significant level.

END OF SECTION 1



SECTION 2 PROGRAM MANAGEMENT

2.0 - Roles

2.1 – Assistant Secretary – Policy, Management, & Budget (AS PMB)

Assistant Secretary – Policy, Management, and Budget has overall responsibility for managing the program, ensuring that the program complies with Federal and Departmental laws and regulations, and monitoring program effectiveness.

2.2 – Director, Office of Acquisition & Property Management (PAM)

The Director, Office of Acquisition and Property Management (PAM), who is also the Department's Senior Procurement Executive (SPE), has oversight, policy, and program management responsibility for purchase and fleet business lines, and serves as the point of contract for GSA, U.S. Office of Management and Budget, and the U.S. General Accountability Office. PAM shall provide leadership and program management for the program, including directing the Charge Card Support Center. The Director has overall responsible for implementing and overseeing the management of the DOI ICCP and approving deviations from its policies.

2.3 – Director, Office of Financial Management (OFM)

The Director, Office of Financial Management (PFM) has oversight, policy, and program management responsibility for the travel business line, including delinquency management. In addition, PFM works in conjunction with PAM in overseeing the ICCP regarding management controls.

2.4 – Integrated Charge Card Program Manager (ICCPM)

The ICCPM provides leadership, oversight, and is responsible for managing the Charge Card Support Center. In addition, the ICCPM directs the implementation of and provides oversight of the ICCP to Bureau A/OPCs in order to achieve DOI's goals and initiatives. The ICCPM provides leadership in the successful program management of DOI's ICCP through development and implementation of effective policies, procedures, charge card alternatives, and other guidance in support of DOI's strategic goals and government-wide initiatives. The ICCPM is also responsible for developing and updating DOI ICCP policies, procedures, and guidance and is the primary point of contact for clarification of policy issues regarding the ICCP.

2.5 – Charge Card Support Center (CCSC)

The DOI Charge Card Support Center (CCSC) has the operational responsibility to carry out the policies issued by PAM and assist PFM with the charge card related areas of the travel policy. CCSC is the primary point of contact for providing support services to DOI Bureaus. CCSC activities may include program administration activity, Bureau implementation support, system interfaces to finance systems, Departmental reporting and data administration, development and delivery of training classes, management control reviews, program development and operations refinement, security administration, payroll offset administration, and limited help desk support. CCSC provides production support for the Financial and Business Management System (FBMS) interfaces and



daily invoicing systems, investigate and track PaymentNet production problems, produce and manage charge card training systems, and distribute reports to bureaus to help them manage their programs. CCSC Help Desk provides PaymentNet access and arrange for Custrax access for Bureau A/OPCs and training support.

2.6 – Office of Inspector General (OIG)

The Office of Inspector General (OIG) is responsible for conducting audits or arranging for investigations when violations of Federal fraud statutes are suspected or alleged. All instances of suspected charge card fraud must be reported to the OIG. Following initial review of the allegation or complaint, the OIG will either open an investigation or refer the matter back to the Bureau or Office for administrative action. The form for filing the suspected fraud, along with further instructions, can be obtained on the OIG website, <http://www.doi.gov/oig/hotline/index.cfm>. The 24-hour toll free hotline number for the OIG is 1-800-424-5081.

2.7 – Assistant Directors for Administrations (ADAs)

The Assistant Director for Administration (ADA) has overall responsibility for the day-to-day oversight of the ICCP in their respective Bureau/Office. This includes designating a Bureau Lead A/OPC and other appropriate officials to oversee the ICCP; developing supplemental policy to the DOI ICCP policy; developing procedures for card usage in all business lines; ensuring program management, security, and cardholder accountability; overseeing account reconciliation and payment; conducting scheduled documentation and transaction reviews; and initiating Bureau accounts with the JP Morgan. The ADA is responsible for ensuring performance standards for A/OPCS, AOs and cardholders include ICCP responsibilities. NOTE: Some Bureaus/Offices may not use the Assistant Director for Administration title; in these instances, the position equivalent to the Assistant Director for Administration has these responsibilities.

2.8 – Bureau Procurement Chiefs (BPC)

The BPC is responsible for implementing the DOI ICCP policy and developing supplemental policy for purchase and fleet business lines within their bureau and nominating A/OPCs. In addition, they are responsible for requesting deviations from the ICCP policy, when applicable.

The BPC is also responsible for:

- Managing the purchase and fleet business lines under their purview;
- Delegating authority to A/OPCs to manage the day-to-day operation of the purchase and fleet card business lines within their purview;
- Delegating cardholder authorities with purchasing limits;
- Authorizing the use of convenience checks;
- Reviewing the A/OPC purchase reports to ensure compliance with internal controls;
- Terminating delegations and appointments;
- Reporting suspected fraud to the OIG, the SPE, and the ICCPM;
- Reporting any ongoing or scheduled external investigations or audits to the SPE and the ICCPM; and
- Ensuring purchase business line A/OPCs are properly trained in the area of contracting policy and procedures, including the FAR and its supplements



2.9 – Bureau Lead and Alternate A/OPC

The Bureau Lead A/OPC in concert with the CCSC and the ICCPM is the primary liaison with JP Morgan regarding Bureau specific technical and policy matters relating to the ICCP. Bureau Lead A/OPCs are responsible for overseeing application processing for new card accounts; charge card management, including maintaining hierarchies, cardholder and supervisor profile data, managing integrated card accounts; performing oversight functions; providing user access to PaymentNet; guidance to AOs and cardholders; maintaining records on completed training; assisting management with development of bureau specific charge card training; conducting annual program review; reporting suspected fraud to the OIG and the ICCPM; terminating and suspending accounts for suspected fraud waste, misuse or abuse; and recommending terminations of purchase business line delegations of authority.

In addition to the A/OPC's roles and responsibilities outlined in the A/OPC Appointment/Reappointment Memorandum, the following specific duties are applicable to A/OPCs at all levels: mandatory use of JP Morgan's PaymentNet reports and workflow processes, case management, and email alert notifications to ensure policy compliance and to reduce the risk of potential fraud, waste, abuse and/or misuse of the integrated charge card.

2.10 – Mid Level (Regional/State) A/OPC

There are various levels of A/OPCs that provide management support and oversight at the field/office level. Regional/State A/OPCs are the primary contact for AOs and cardholders. Regional/State must complete prerequisite training, be approved, and have received a letter of appointment from PAM. Once approved, Regional A/OPCs manage all accounts under their purview within their region/state.

2.11 – Approving Official/ Alternate Approving Officials

The Approving Official (AO) is generally the cardholder's supervisor. AOs must complete prerequisite training, be approved, and have received a letter of appointment from PAM. AOs have review and approve responsibilities for all accounts in which they are assigned. AOs are responsible for ensuring that purchases made by cardholders under their purview were appropriate, charges were accurate, and purchases were for official Government business by reviewing and approving their transactions; reconciling and certifying statements in the absence of the cardholder; ensuring cardholders are current with all mandatory program training requirements; ensuring funds are available; resolving questionable transactions with the cardholder; ensuring cardholders reconcile transactions and statements within the reconciliation timeframe and within Bureau guidelines; reviewing transactions for appropriate documentation; reporting suspected waste, fraud, abuse, or misuse of integrated cards to the A/OPC; reporting suspected fraud to the OIG and the A/OPC; reporting changes in a cardholder's status and administrative changes to a cardholder's account to the A/OPC; and ensuring compliance with Departmental and bureau record retention requirements.

AOs are required to re-delegate authority when they are scheduled to be out of the office for an extended period. An AO cannot permanently re-delegate their assigned duties. An individual designated as "acting supervisor or alternate Approving Official", however, cannot assume AO duties until they have completed the Approving Official training and have received an appointment letter from PAM.



Once a Bureau has implemented the Online Review and Approve option, where charge card transactions are no longer manually reviewed and paper statements are no longer certified by the AO's signature, AOs are required to use PaymentNet to review and approve the applicable charge card transactions. Otherwise, the AO must review cardholders' paper statements for cardholders not in participating organizational units within 30 days from the statement date and sign and date the paper statement (or a copy of the statement) certifying that all transactions appearing on the cardholder's statement are appropriate, accurate, and for official Government business. The copy of the statement retained in the records file must contain the AO's original signature. All signed statements must be retained in central Bureau locations for three years, e.g., local offices, division offices, regional offices, etc.

2.12 – Cardholder

Cardholders are responsible for ensuring their purchases are for official Government business only; obtaining proper approvals for their transactions; complying with Federal laws and regulations, as well as Departmental and Bureau policies and procedures; complying with spending limitations; complying with internal control procedures; reconciling accounts and disputing unresolved or invalid transactions within the prescribed time limits; safeguarding the integrated charge card and account information; reporting unauthorized use, lost, stolen, or compromised cards; and complying with accountable property procedures.

Once a Bureau has implemented the Online Review and Approve option, where charge card transactions are no longer manually reviewed and paper statements are no longer certified by the cardholder's signature, the cardholder is required to use PaymentNet to review and approve the applicable charge card transactions. Otherwise, cardholders in organizational units that have access to a computer must review their paper statements within 30 days from the statement date, ensure that receipts exist for all purchase transactions, and sign and date the paper statement (or a copy of the statement) certifying that all transactions appearing on the statement are appropriate, accurate, and for official Government business. The cardholder must present the statement, along with the receipts, to their AO to allow them sufficient to review and sign the statement within 30 days from the statement date. The copy of the statement retained in the records file must contain the both the cardholder's and the AO's original signature. All signed statements must be retained in central Bureau locations for three years, e.g., local offices, division offices, regional offices, etc.

Under no circumstances is a cardholder alleviated from the responsibility of reviewing their monthly charge card statement and ensuring all transactions are accurate, valid, and for official Government business. A waiver from the requirement to sign a monthly charge card statement does not provide a waiver to a cardholder from the responsibility to review their statement or being held responsible for failure to file a dispute within the allotted timeframe.

2.13 – Fleet and Aviation Fleet Manager

Fleet Managers are responsible for ensuring the purchases are for official Government business only; ensuring that proper justifications and approvals exist for all transactions; complying with Federal laws and regulations and Departmental and Bureau policies and guidance; complying with spending limitations; complying with internal control procedures; reconciling accounts and disputing unresolved or invalid transactions within the prescribed time limits; safeguarding the Fleet charge card and account information; reporting unauthorized use, lost, stolen, or compromised cards; and complying with accountable property procedures.



When a Bureau has implemented the Online Review and Approve option, where charge card transactions are no longer manually reviewed and paper statements are no longer certified by the Fleet Manager's signature, Fleet Managers are required to use PaymentNet to review and approve the applicable charge card transactions.

If a Bureau has yet to implement the Online Review and Approve option, the Fleet Manager must review fleet card paper statements within 30 days from the statement date, ensure that receipts exist for all transactions, and sign and date the paper statements certifying that all transactions appearing on the statements are appropriate, accurate, and for official Government business. The statement retained in the records file must contain the Fleet Manager's original signature. The Fleet Manager must follow the Departmental and Bureau policy for reviewing and approving fleet-related transactions.

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END OF SECTION 2



SECTION 3 ACCOUNT MANAGEMENT PROGRAM

3.0 – Establishing & Maintaining Accounts

3.1 – Administrative

3.1.1 – Eligibility

Issuance of the Government charge card is limited to individuals who are employees of an executive agency or members of the Armed Forces of the United States. Employees may only have one active charge card account unless an exception has been granted e.g., corporate purchase, travel, training accounts, stored value accounts such as the uniform card, invitational travel accounts, relocation accounts, educational accounts, and certain employees who pilot Aviation Management aircraft. Issuance of the Government charge card to seasonal employees is authorized, but shall be limited to the employment period designated in the Federal Personnel Payroll System. Seasonal and intermittent charge cards must be suspended during periods of inactive employment and noted in PaymentNet. Issuance of the Government charge card to a non DOI Federal employee is only authorized after an executed reimbursable support agreement is on file.

An integrated account may be established in just one business line or in a combination of the travel, purchase, and fleet business lines. General customer service telephone numbers for JP Morgan are: 1-888-297-0781 (domestic free call); 1- 847-488-4442 (International) and; TTY/TDD callers should use relay service. JP Morgan's "PaymentNet" is located at <https://gov1.paymentnet.com/>.

3.1.2 – Credit Worthiness

In accordance [OMB Circular A-123, Appendix B, "Improving the Management of Government Charge Card Programs" revised January 15, 2009](#) all new charge card applicants, are required to have a credit evaluation determination prior to being issued an integrated charge card. A DOI employee who currently has a charge card in good standing is not considered a new applicant for the purpose of credit worthiness, including employee moving between DOI bureaus.

3.1.3 – Credit Scores

JP Morgan will, with the applicant's consent, obtain the credit score and issue a charge card with spending limits as established by DOI. The applicant's consent will be authorized by initialing the appropriate line on the Account Setup/Application Form. The numerical score indicates the credit risk level associated with a specific credit applicant. The DOI integrated charge card application form is available on the Internet at <http://www.interior.gov/pam/programs/chargecard/index.cfm>.

For the applicant with a credit score of less than 660, a restriction card for the travel business line may be issued. Cardholders transferring from other Bureaus or agencies who can show that they had a standard Government charge card in good standing at the time of their departure may be evaluated by past card history if available.

3.1.3 – Alternative to Credit Scores

If obtaining a credit score is not possible, e.g., the applicant refuses to provide consent or does not have a credit history; a card with more stringent restrictions may be issued after an alternative credit worthiness assessment is



conducted to determine whether the individual possesses a satisfactory history. An Alternate Credit Worthiness Determination Form DI-3450, dated August 2007, is available for this purpose and is available on the Internet at <http://www.interior.gov/pam/programs/chargecard/index.cfm>. Employees who decline to consent to a credit check and the alternate credit worthiness assessment form will not be issued a normal Government charge card. The must A/OPC contact JP Morgan and request a restricted declining balance card be issued to the employee. The A/OPC will also notify both the cardholder and their supervisor. Employee may request a free copy of his/her credit report by contacting TransUnion Credit Information Services at 877-322-8228. General credit scoring information is available on-line at www.transunion.com.

3.1.4 – Moving from a restricted card to a standard card.

A credit worthiness assessment must be conducted for restricted cardholders before the cardholder is issued a renewed card. The re-assessment of credit worthiness may be conducted by JP Morgan, with the applicant's consent, obtain the credit score and issue a charge card with spending limits as established by DOI. A cardholder may request a new credit check after 60 days has elapsed since his/her last credit check.

3.2 – Training Requirements

3.2.1 – Program Orientation and Training

Cardholders, approving officials, and A/OPCs shall document satisfactory completion of required training prior to nomination and appointment to the ICCP. At completion of training, cardholders, approving officials, and A/OPCs certify that they understand and will comply with integrated charge card policies and procedures.

3.2.2 – Refresher Training

Cardholders, approving officials, and agency organization program coordinators shall complete mandatory annual refresher training. At completion of training, cardholders, approving officials, and A/OPCs certify that they understand and will comply with integrated charge card policies and procedures. Training can be accessed via Intranet at DOI Learn <http://www.doi.gov/doilearn/index.cfm>. DOI Learn is the document repository as it relates to integrated charge card program training certificates, A/OPC and AO appointment memorandums, and cardholder delegation of purchase business line authority.

All cardholders, approving officials, and A/OPCs must review and become familiar with:

- Departmental and Bureau/Office charge card program policy, procedures, and guidelines.
- J.P. Morgan Chase Bank, N.A. GSA SmartPay 2 Integrated Cardholder Agreement.

Travel Cardholders are responsible for completing travel business line learning plan in DOI Learn. Purchase and Convenience Cardholders are responsible for completing the purchase business line learning plan in DOI Learn. Fleet Managers are responsible for completing the purchase business line learning plan in DOI Learn. Approving Officials are responsible for completing the travel and purchase business line learning plan in DOI Learn. A/OPCs are responsible for completing both the travel purchase business line learning plans and the A/OPC learning plan in DOI Learn.

3.2.3 – JP Morgan MasterCard Electronic Access System Training

Cardholders, approving officials, and agency organization program coordinators shall complete JP Morgan PaymentNet training to improve the management and accountability of their charge card programs. A/OPCs shall also complete MasterCard Enhanced Merchant Reporting, and MasterCard Expert Monitoring System training.



3.2.4 – DOI and GSA SmartPay Annual Training Conference

PAM is responsible for obtaining required approvals for DOI A/OPC attendance at GSA SmartPay Annual Training Conference and/or DOI sponsored training as required by 41 CFR 301.704 band 205 DM 15. Attendance is limited to those individuals that have agency/organization program coordinator responsibility for management and oversight of the integrated charge card program and other accountable/billing officials in accordance with OMB Circular A-123 Appendix B.

3.3 – Card Application

3.3.1 – Paper Applications

Paper application will be signed by the prospective cardholder, the supervisor, and the Agency Organization Program Coordinator. All Government issued charge cards must be issued with the employee's legal name in the Federal Personnel Payroll System. A/OPCs will complete the application process, including obtaining proper documentation for delegation of purchase authority. In accordance with FAR 4.703, JP Morgan Customer Service document repository retains electronic copies of approved applications for 3.2 years. The Department will coordinate an integrated effort with JP Morgan to provide centralized electronic applications to eliminate paper applications and to ensure all cardholders have user access to PaymentNet upon card issuance.

3.3.2 – Electronic Applications

Agency Organization Program Coordinators shall submit Fleet and Aviation Fleet Business Line applications and Stored Value Card application online using the PaymentNet. Fleet managers and the A/OPC are required to sign the application. The A/OPC shall coordinate with the Charge Card Support Center to ensure application completeness and accuracy.

3.4 – Account Maintenance

3.4.1 – Changes in Cardholder Status

When a cardholder resigns, transfers, or is terminated, the surrender and destruction of charge cards and convenience checks, closing of the account, and cancellation of PaymentNet access must be part of the final employee clearance process. Any records in the cardholder's possession must be turned over to the supervisor for central filing unless otherwise specified in Bureau policy.

- A/OPCs shall close employee's account, inactivate PaymentNet access, including deleting any hierarchy-based roles such as approving official or A/OPC, if applicable.
- Verify the account status in PaymentNet and determine whether any amount is due.
- Request a check from the employee payable to J.P. Morgan for the full amount of any outstanding, individually billed balance.
- Inform the exiting employee that if they have an outstanding balance, the charge card contractor will be notified of their departure and provided with the employees' forwarding address.
- Notify JP Morgan and provide forwarding address if applicable.
- Refer to individual business line for disposition of records.



3.4.2 – Changes in Approving Official Status

Upon change in approving official status such as transfer, retirement, resignation or termination, a new approving official shall be appointed. If it is not possible to establish a new approving official or alternate approving official, purchase business line cardholder accounts may be suspended until a new approving official is appointed at the direction of the BPC. New approving officials shall be granted user access to PaymentNet reports upon completion of mandatory training requirements.

3.4.3 – Administrative Changes

Cardholders and approving officials shall notify their agency/organization program coordinator in writing of any administrative changes such as name, address, or phone number. Upon written notification of administrative changes, the A/OPC shall make the appropriate change in the PaymentNet, including hierarchy changes for employee movement within their bureau. The CCSC will coordinate hierarchy changes when a cardholder moves between bureaus.

3.4.4 – Changes to Purchase Limits

Requests to change cardholder's single purchase limit (if less than \$3,000) or monthly purchase limit shall be submitted by the approving official through the A/OPC to the BPC. Upon approval of changes to purchase limits, the BPC shall issue a new Delegation of Procurement Authority. Changes that would raise the cardholder's single purchase limit above the micro-purchase threshold require the cardholder to meet all training and certification requirements for warranted contracting officers.

3.4.5 – Emergency Use Cards and MCC Groups

Bureaus and Offices may request purchase business line Merchant Category Code (MCC) groups designated for emergency use without the need to use the cards on a recurring basis. Employees eligible to receive an emergency use card are those who have been designated as "emergency employees" or "mission-critical emergency employees" under an emergency response plan or continuity of operations plan.

3.4.6– Emergency Acquisition Flexibilities

Emergency Acquisition Flexibilities: Declarations of Emergency Acquisition Flexibilities authorized in Federal Acquisition Regulations FAR Part 18, in support of Federal responses to major disasters and emergency may authorize the Department increasing certain procurement thresholds. Pursuant to the authority delegated to the Senior Procurement Executive, under Part 209, Chapter 4 of the DOI Departmental Manual may authorize increasing the following procurement thresholds for all DOI contracting activities.

- Micro-purchase: \$15,000 in case of any contract awarded and performed, or purchased, inside the United States; \$25,000 for contracts awarded and performed, or purchased, outside the United States;
- Simplified Acquisition: \$250,000 in case of any contract awarded and performed, or purchased, inside the United States; \$1,000,000 for contracts awarded and performed, or purchased, outside the United States.

The Federal Procurement Data System – Next generation's Government-wide \$3,000 procurement transaction reporting threshold remains in force. The increased procurement thresholds are temporary and shall remain in effect until the disaster relief efforts are formally terminated.



3.5 – Inactive Accounts

Accounts without any transactions within the preceding 18 month period are considered “inactive”. Inactive accounts will be suspended. A/OPCs shall perform semi-annual reviews of purchase and travel business line usage within their organizations and identify accounts that appear to be inactive, other than cards specifically requested for emergency use. A/OPCs shall provide the list of inactive accounts to approving officials and request justification to retain the accounts. Failure to provide the required justification will result in cancellation or suspension of the inactive accounts. A sample Inactive Account Memorandum is provided in Appendix E. PaymentNet will automatically send an inactive account reminder email to cardholders when an account has been inactive for 12 months. This email alert could help A/OPCs determine if an account's credit limit should be lowered or if the account should be permanently closed.

3.6 – Account Suspension, Termination, & Reinstatement

3.6.1 – Account Suspension

A/OPCs and approving officials should suspend a cardholder's account if improper card use is suspected. Approving officials should consider suspending a cardholder's account for failure to adequately perform cardholder duties. A/OPCs and approving officials will collaborate and consider the impact of cardholder's account suspension on the affected organization and take appropriate steps to minimize any adverse impact.

3.6.2 – Account Closure

A/OPCs will close accounts of cardholders that separate from the organization. In addition, cardholder accounts may be closed for card abuse and fraud; failure to carry out responsibilities; failure to complete the required refresher training; or upon direction by management. The servicing bank may initiate termination of accounts that have been suspended twice within the preceding 12 month period and are 120 days past due, or other provisions in accordance with the Cardholder Agreement. Accounts closed by JP Morgan under these circumstances cannot be reinstated; however, other alternate controlled spending accounts will be available for the cardholders.

3.6.3 – Reinstatement

A/OPCs may request reinstatement of accounts that have been closed for abuse or misuse. Prior to processing the request for reinstatement, the following steps must occur:

Travel business line:

- The cancelled account must be paid in full;
- The cardholder must reapply for the charge card;
- The cardholder's supervisor must approve the reinstatement by signing the application;
- A written request stating the reinstatement need, including background of why authority was lost; and a recommendation to reinstate the travel authority must be approved by the Bureau Lead A/OPC of the travel business line charge card program.

Purchase business line:

- To be eligible for purchase business line reinstatement, any travel business line use card issued must be in good standing for at least one year;
- In accordance with Bureau policy, a written request from the approving official to the Lead A/OPC is initiated;



- The Lead A/OPC will submit the request to the BPC. The request must include the reinstatement need, background on why purchase authority was lost, and a concur/non-concur recommendation.
- The BPC will make the final determination.
- The Bureau Lead A/OPC will provide electronic copies of the reinstatement to DOI Charge Card Program Manager, Office of Acquisition and Property Management.

Exception, cardholders cannot be reinstated if the servicing bank initiated termination of accounts due to violations of the signed cardholder agreement in accordance with the GSA SmartPay master contract provisions. However, a declining balance card may be issued for travel business line.

3.7 – Card & Account Security

Cardholders shall take appropriate precautions to protect the integrated charge card and account information. Cardholders are responsible for preventing others from gaining access to their cards or account information. Account information should be given only to vendors to complete a transaction. Charge card account information shall be kept in a secure environment to prevent access by unauthorized personnel. Cardholders may be held personally responsible for card and account misuse.

Cardholders shall exercise discretion in selecting reputable merchants in order to minimize the possibility of fraud. Prior to entering the charge card number onto an internet website, the cardholder should ensure that the site is secure. A secure website is one where an “s” appears in the URL, e.g. <https://>, and a picture of a lock. Cardholders shall not transmit charge card information over a facsimile machine.

3.8 – Lost & Stolen Cards

The cardholder must report lost or stolen cards promptly to JP Morgan’s customer service office or in PaymentNet; in addition, to other Bureau offices as specified in Bureau policy. A replacement card with a new account number will be issued, usually within 24 hours. If a lost card is found after receiving a replacement card, it must be destroyed. The cardholder may be held accountable for failure to report the loss of a card.

3.9 – Disputed & Fraudulent Charges

Cardholder shall follow up with the merchant on incorrectly billed items immediately, as there is a 90-day time limit on reconciling disputed items. If no resolution is reached, cardholders shall contact JP Morgan to dispute the charge. Cardholders should process disputes or questioned transactions using the servicing bank’s online disputes process or by calling JP Morgan customer service. If, after receipt of requested copies of the sales slip, the cardholder still does not recognize the charge, the cardholder should contact their A/OPC for assistance. JP Morgan will give the cardholder a temporary credit during the dispute resolution process. If the determination is made in the cardholder’s favor, no further action will be taken. If the merchant is determined to be correct, the temporary credit is reversed and the transaction will appear on the next statement and must be paid. If a cardholder fails to dispute a transaction within the 90-days and the transaction should have been disputed, the cardholder may be held personally liable.



3.10 – Card Decline/Rejection

If the charge card is rejected, cardholders shall contact JP Morgan’s customer service office or the A/OPC for assistance. The JP Morgan’s customer service phone number is located on the back of the card. A/OPC’s and cardholders shall monitor card decline reports for questionable, suspected fraudulent activity. PaymentNet will automatically send a transaction decline email alert to cardholders. This alert consolidates all declines, including the decline reason to help cardholders resolve the decline prior to logging in to PaymentNet.

3.11 – Unauthorized Use & Penalties

When using the charge card, cardholders shall comply with Federal, Departmental and Bureaus/Offices laws, regulations, policies and guidance. Intentional use of the charge card for other than official Government business will be considered an attempt to commit fraud against the U.S. Government and will result in immediate suspension of the charge card. The cardholder may be subject to disciplinary action under applicable Departmental and Bureau/Office guidelines. Departmental Manual (370 DM 572) specifically addresses charge card penalties. In cases of suspected fraud, the A/OPC is required to refer incidents to the DOI Office of Inspector General Office or Department of Justice for investigation, the SPE and the ICCPM.

3.12 – Management Controls

The integrated card program includes a variety of management controls designed to minimize purchase card misuse. A/OPCs shall ensure that management controls under their purview are followed and appropriately used to reduce potential card misuse and abuse.

3.12.1 – Merchant Category Code Groups (MCC)

The travel business line is used to pay for travel-related transactions that include: airline tickets, rental cars, garage and airport parking, lodging and meals and incidental expenses. The purchase business line is used to purchase supplies and services that do not exceed the micro-purchase level with limited exceptions. The fleet business line is used to pay fuel, maintenance and repair charges for DOI owned, or commercially leased vehicles and miscellaneous equipment.

3.12.2 – Single purchase limit (SPL)

Each charge card account is established with a single purchase limit (micro-purchase threshold), and billing cycle limit. The cardholder delegation of authority document may specify these limits commensurate with anticipated purchase requirements. Spending limits are coded into the card and restricts the spending limit for each transaction. Once set, any transaction over the SPL will be declined at the point of sale.

3.12.3 – Cycle Limit

This limit is the sum of all the amount limits for each business line on the account, including ATM authority rounded to the next highest thousand for a single month. A transaction will be declined at the point of sale if the transaction will bring the monthly total over the cycle limit. Cycle limits are reset in accordance with the monthly statement, dates of account and apply to all transactions occurring within the cycle.



3.13 – On-Line Review and Approve

The Review & Approve functionality is available through PaymentNet and allows cardholder transactions to be reviewed and approved on-line. This automated process will eliminate the need for utilizing paper statements for the same purpose. The functionality is hierarchy based. Approvers will still have 30 days to approve transactions using the on-line PaymentNet functionality. Reviewers and approvers will also have an option to receive an e-mail notification from PaymentNet indicating that transactions are ready to review and approve. In addition, PaymentNet will send out an automated alert to all approvers once a week on Sunday. Additional functionality available in PaymentNet includes: disputing a transaction, uploading transaction receipts, creating queries and reports to monitor Review & Approve transactions, and managing optional purchase logs. The Charge Card Support Center will work in conjunction with the Bureau A/OPC's to ensure that PaymentNet users have the appropriate hierarchy-based role, valid user ID's/e-mail addresses, and hierarchies that match the organizational structure.

3.13.1 – Cardholder's Automated Transaction Reconciliation Responsibilities

Cardholders with both purchase and travel business lines are required to review and approve transactions listed on-line with their itemized statement. Cardholders shall research transactions that are recorded on-line but fail to appear on the Statement. The cardholder shall ensure that transactions are reallocated to the proper accounting codes as appropriate; certify the Statement by checking the review and approve boxes in PaymentNet; ensure all receipts are uploaded to the Statement of Accounts and save the reconciliation files, for approving official approval. The electronic review and approve reconciliation files may include monthly transaction receipts and other applicable supporting documentation. If a cardholder knows in advance that they will be absent for the entire reconciliation period and not able to reconcile the account, the cardholder shall forward the supporting documentation to the approving official or the designated office administrator.

3.13.2 – Approving Official's and Fleet Managers Automated Review and Approve Responsibilities

The approving official (includes fleet card manager), upon receipt of email notification, shall review and approve cardholder reconciliation, and digitally sign the Statement of Account by checking the review and approve boxes in PaymentNet; ensure all receipts are uploaded to the Statement of Accounts and save the reconciliation file. Failure of the approving official to reconcile an absent cardholder's account may cause all cardholder accounts under their purview to be suspended by the agency program coordinator. All supporting documentation shall be uploaded to the servicing bank tool which serves as the central repository for ICCP files.

3.14 – Travel Business Line Reconciling the Statement of Account

The statement period usually ends on the 19th of each month. If transactions were charged to a cardholder's account, a statement of account will be mailed to the accountholder. In addition, individual transactions are available for review in PaymentNet, as well as an electronic version of the monthly statement. Detailed reconciliation is a vital control and step in maintaining the efficiency and accuracy of the ICCP.

3.15 – Purchase Business Line Reconciling the Statement of Account

The statement period ends on the 19th of each month. If charges were applied to an account, a statement of account will be published in PaymentNet and a paper copy mailed to the cardholder. Once PaymentNet's email notification is received or the paper statement is received, it is the responsibility of the cardholder to reconcile their accounts



on-line in PaymentNet. Detailed reconciliation is a vital step in maintaining the efficiency and accuracy of the ICCP.

3.15.1 – Cardholder’s Automated Transaction Reconciliation Responsibilities

Review and Approve: Cardholders shall compare each transaction listed on-line (use of the Purchase Card Ordering Log is optional) with the itemized statement. Cardholders shall research transactions that are recorded on-line but fail to appear on the Statement. The cardholder shall ensure that transactions are reallocated to the proper accounting codes as appropriate; certify the Statement by checking the review and approve boxes in PaymentNet; ensure all receipts are uploaded to the Statement of Accounts and save the reconciliation files, for Approving Official approval. The electronic review and approve reconciliation files shall include monthly transaction receipts, email purchase requests, and other applicable supporting documentation.

3.15.2 – Optional Electronic Purchase Log

An on-line purchase log is available in PaymentNet. Use of the on-line or manual purchase log is optional. Bureaus are encouraged to use the on-line purchase log with auto reconcile feature as a best practice for micro-purchases when practical. However, contracting officers, high volume purchasers, and cardholders with no access to a computer may upload manual purchase logs as additional supporting documentation. Approving Officials are required to review the electronic or manual purchase log as part of their monthly reconciliation process. Failure to maintain the purchase log properly may result in suspension of card privileges. Purchase logs must contain the following minimum information: date of purchase; description of the item or service ordered; merchant name; dollar amount of the transactions; date received; and the cost account charged if needed for reallocation.

3.15.3 – Cardholder’s Manual Statement Reconciliation Responsibilities

Once the statement is received, it is the responsibility of the cardholder to reconcile their accounts with their supporting documentation and or the optional purchase log. Detailed reconciliation is a vital step in maintaining the efficiency and accuracy of the ICCP. To reconcile the account, the cardholder must:

- Verify the charges on the statement by comparing them to the appropriate documentation or purchase log (incorrect or over charges, addition of sales tax, double charging, unrecognized charges, or other errors should be apparent);
- Annotate the cost account charged if needed;
- Verify charges are billed correctly (individually or centrally billed);
- Annotate any disputes or transactions being refunded in part or full with the amount and date refunded;
- Sign and date the last page of the statement within 30 days from statement date; and
- Provide statement and supplemental documents to AO for review within 30 days of statement date (AO signature and date must be placed besides the cardholder’s within 30 days of statement date).

If there was no activity or balance during the billing cycle, the cardholder will not receive a statement. If the cardholder believes there were charges on the account during the billing cycle, they should contact their A/OPC or the bank. The A/OPC can check the account and supply the statement as necessary.

After the account has been reconciled by the cardholder and approved by the AO, the statement and all supplemental documents must be scanned and uploaded to PaymentNet’s document repository for a period of 3



years. Bureaus are encouraged to phase out paper reconciliation processes to eliminate repeat audit findings and to reduce administrative costs, and increase operation efficiencies. Paper reconciliation documentation is subject to more rigorous review or audit.

3.16 – Transferring Transactions

If a transaction needs to be moved from centrally billed (CB) to the Government to individually billed (IB) to the cardholder or vice versa, the cardholder may contact their A/OPC to initiate a transfer with the supervisor's approval. Transaction transfers can be done in PaymentNet within 90 days from the transaction date. During this 90-day period, the cardholder should follow their Bureau's policy for submitting a transaction transfer request. If during the reconciliation process, an Accountholder finds transactions were billed to the wrong account (individual or central), they must contact their AO. The AO will forward the approved request to the A/OPC for review, approval, and processing.

Transfer transactions must be processed by the A/OPC within 90-days, but should be initiated by the cardholder within the 30-day reconciliation period. The Accountholder must submit to the A/OPC (through the AO), the following information:

- Last four of account number;
- Transfer transaction desired (CBA to IBA or IBA to CBA);
- Transaction and posting date;
- Transaction amount;
- Vendor name;
- Reference number; and
- Description of charge and reason for transfer.

3.16.1 – Timely Reallocation of Charge Card Transactions

All centrally-billed transactions default to the accounting code assigned to the account. The following is a list of when centrally billed transaction(s) require account code reclassification:

- Purchases against an obligated purchase order;
- Correction to the Budget Object Class (BOC);
- Charge(s) to be applied to multiple program codes;
- Purchases for another program office;
- Travel charged to a different account code (corporate accounts); and
- Application of a "credit" amount to the same accounting code as the original charge.

During the statement reconciliation process, the Accountholder is responsible for annotating the correct account code accounting code on all centrally- billed transactions. If the transactions(s) require reclassification to an accounting code different from the default accounting code, the Accountholder and the AO is responsible for ensuring that these transactions are charged to the correct accounting code. Financial Business Management System (FBMS) is the financial system used for tracking cost allocation of charge card transactions by business line. Individuals with the purchase business line are required to utilize FBMS from their workstation, to verify and reallocate charges if necessary to the appropriate accounts and object class codes.



3.17 – Reports

[PaymentNet](#) provides reports, including custom-developed reports, to assist A/OPC's and other agency personnel to manage the charge card program. PaymentNet [Report Guide](#) is available for download on [JP Morgan communication website](#).

Enhanced Merchant Reports are available to assist A/OPCs, Fleet Managers, and Small Business Specialists online through [MasterCard's portal for Commercial Products Solutions](#) applications and information. There are several web-based Commercial Card applications, including: Enhanced Merchant Reporting (EMR), Merchant Match Tool, Merchant Locator, Fuel Locator, and Acceptance Reporting Tool.

The following custom GSA SmartPay reports are available: 1099 Information Report, MWOB Small Business/1057 Report, MCC Spending Information, Top 100 Merchants Current Fiscal Spending, Top 100 Aggregate Merchants Current Fiscal Spending, and Top 100 Merchants Ranking (Current vs. Prior Fiscal). Contact JP Morgan for A/OPC access to: <https://cps.mastercardbusiness.com/sdportal/home.view>

Data Mining, Comprehensive Risk Management, Policy Compliance, Fraud Detection/Prevention and Case Management Reports are available to assist A/OPCs and the Office of the Inspector General online through [MasterCard's Expert Monitoring System](#) (EMS). Graphical reports are available in EMS WebFocus tool.

3.18 – Extended Leave or Absences

If a cardholder is absent from their regular duty schedule for any extended period of time, including furlough, extended sick leave, maternity leave, military leave, etc., their DOI charge card must be suspended. All cards in suspended status should be validated for need determination annually.

3.19 – Strategic Sourcing

DOI is committed to improving acquisition performance through a continual effort to identify strategic opportunities and negotiate favorable Department-wide contracts. To achieve this objective, Bureau procurement offices shall review spend analyses reports on purchase business line data to identify card spending patterns, determine actual and estimated savings, and identify candidates for potential strategic sourcing initiatives.

3.20 – Special Law Enforcement Accounts

Law Enforcement personnel may use JP Morgan commercial credit cards to meet mission needs. The term "credit card" rather than "charge card" is used because cardholders are required to pay their individually billed balance in full upon receipt of the monthly statement of account. The commercial credit card accounts are not centrally billed accounts. The Office of Inspector General has oversight responsibilities for Law Enforcement commercial credit cards.



3.21 – Unauthorized Commitments

An unauthorized commitment is an agreement that is not binding solely because the Government representative who made it lacked authority to enter into this agreement of behalf of the Government (FAR 1.602). The ordering and acceptance of supplies and services without benefit of a legal contract constitutes an improper act and does not obligate the Government for the items ordered, but may incur a personal liability to the individual who made the commitment. Such agreements can be ratified, or approved, after they have been illegally authorized, but only by an official who has authority to do so and only when certain conditions are met. The Government charge card may not be used as a method of ratifying an unauthorized commitment.

3.22 – Tax Exemption

The Supremacy Clause of the United States Constitution does not permit States to levy taxes directly upon the Federal government. Centrally Billed Accounts (CBAs) are exempt from state taxes in every state and requires a form in 13 states for purchase cards and 2 states for travel cards. Individually Billed Accounts (IBAs) travel cards are tax exempt in Puerto Rico, the US Virgin Islands, and 11 states. IBA exemptions require a form in 6 states and in Puerto Rico.

3.22.1 –Centrally Billed Accounts

Integrated Charge Cards are centrally billed accounts and the Federal government is responsible for making the payment. As a result, consistent with the Supremacy Clause and legal precedent, the Integrated Charge Card is exempt from state sales tax in all 50 states and in U.S. territories.

3.22.2 –Individual Billed Accounts

The Travel Business Line provides for both CBAs and IBAs. The Federal government is directly billed for CBA transactions such as air fare, lodging, and rental car. Cardholders are responsible for IBA payments for meals, and incidental expenses and may be subject to tax at the point of sale.

3.22.3 –State Tax Exemption

Currently 11 States and 1 U.S. territory have elected to exempt IBA cards. They are:

- Alaska, Delaware, Florida, Kansas, Massachusetts, Missouri, New York, Oregon, Pennsylvania, Texas, Wisconsin, and Puerto Rico.
- The following 5 states and 1 US Territory require tax exemption forms for IBA travel cards: Florida, New York, Pennsylvania, Texas, Wisconsin and Puerto Rico.

Currently 13 States require tax exemption forms for Purchase Card CBAs to accompany any transaction:

- Florida, Georgia, Louisiana, Michigan, Minnesota, Rhode Island, South Dakota, Tennessee, Texas, Utah, West Virginia, Wisconsin, and Wyoming.

Currently 2 states require forms to receive tax exemption for CBA Travel Cards:

- North Dakota requires a form for all CBA travel.
- Pennsylvania requires a form for hotel travel only.



Hawaii has eliminated exemption of taxes on Federal spending, so businesses in this state may pass taxes on to government purchasers regardless of the card used. Similarly, Illinois also levies taxes on the merchant or vendor, which can then be passed on to the cardholder regardless of what type of charge card is used.

Puerto Rico has a tax exemption form for Individually Billed Accounts (IBA) travel cards during official government travel to Puerto Rico. In the US Virgin Islands you are automatically exempt from taxes when you use your IBA travel cards during official government travel. The US Virgin Islands currently does not have a tax exemption form for government employees but is working on creating one.

Forms for both IBA and CBA cards can be downloaded from our tax-exemption map at:

- <https://smartpay.gsa.gov/about-gsa-smartpay/tax-information/state-responseletter>

Cardholders are responsible for downloading the forms and ensuring the forms are filled out and submitted at the point of sale, to the hotel. Cardholders must ensure hotel and rental car receipts do not include state tax. If the merchant does not recognize tax exemption status, please refer hotel/rental car representatives to the GSA SmartPay website or the state's taxation authority to verify tax exemption.

3.23 – Tax Reclamation

JP Morgan MasterCard fuel tax recovery program allows DOI to recover eligible fuel taxes through a refund claim filing process, supported by a third-party tax specialist. A refund claim is exercised when State tax law permits the exempt entity to file for the refund. A/OPCs are required to validate, file, and pursue tax claims for recovery of transaction tax overpayments.

Under the GSA SmartPay program, our parent organization, Department of Interior, has historically shared the Federal Employer Identification Number (FEIN) with our multiple sub-organizations. In order to uniquely distinguish each agency, we have made a change to the individual agencies' FEIN to reflect the following:

Sub-Agency	Parent FEIN	New FEIN
USDOI - Bureau of Indian Affairs	53-0196949	85-0197413
USDOI - Bureau of Land Management	53-0196949	84-0437540
USDOI - Bureau of Reclamation	53-0196949	84-0406948
USDOI - U.S. Fish and Wildlife Service	53-0196949	53-0201504
USDOI - National Park Service	53-0196949	53-0197094
USDOI - Office of Aircraft Service	53-0196949	53-0196949
USDOI - Office of the Inspector General	53-0196949	53-0196949
USDOI - Office of Surface Mining	53-0196949	84-0738961
USDOI - Office of the Special Trustee for American Indians	53-0196949	53-0196949
USDOI - U. S. Geological Survey	53-0196949	53-0196958
USDOI - OS/NBC Division of Financial Management	53-0196949	53-0196949
USDOI - Office of the Secretary	53-0196949	53-0196949
USDOI - Bureau of Safety and Environmental Enforcement	53-0196949	32-0345786
USDOI - Bureau of Ocean Energy Management, Regulation, and Enforcement	53-0196949	84-1024566
USDOI - Office of Natural Resources Revenue	53-0196949	53-0196949



In addition, we have registered each sub-organization in the System for Award Management (SAMs). The [System for Award Management](#) is the primary vendor database for the U.S. Federal Government. The system collects, validates, stores and disseminates data in support of agency acquisition missions. In addition to vendor information, every Federal Government agency and their FEIN is registered in the database.

3.24 – Indian Education Student Activity Accounts (SAA)

The unique statutes surrounding Indian Education schools grants greater privileges prohibited under the standard purchase business line. Section 1128 of P.L. 95-561 requires that a funding formula is established to provide academic services at Bureau operated schools that are at least equivalent to those provided by public schools in the state the school is located.

The SAA may expend Bureau funds for individual use items for students if the expenditures are based on individual or program needs and the price is considered fair and reasonable. All expenditures of Federal funds by Bureau operated schools, however, must be approved in the operating budget of the school developed with and approved by the local school board. The additional purchase authorities include:

- Food, toiletry items, clothing, and learning opportunities (field trips to include admission fees) for students, parents, sponsors and approved chaperones;
- Transportation and accommodations for students, parents, sponsors and approved chaperones;
- Travel tickets and accommodations for school board and Board of Regents members;
- Recreation and entertainment for students; and
- Student incentives, as defined and established by each Bureau operated school (gift certificates, toys, electronics, etc.).

The SAA is established using the name of the cardholder. The individual responsible for the account must complete all requisite training before making transactions on the student activity charge card. Approval for SAAs is made by the Lead A/OPC. A list of all approved student activity Cardholders will be maintained by the Lead A/OPC. All charges on a SAA are the responsibility of the listed Accountholder. All transactions need the same documentation requirements for the standard purchase business line. Additionally, transactions with the SAA must contain an accurate listing of the students participating in the event that precipitated the charges.

3.25 – Documentation and Record Retention

Documentation shall be kept to a minimum for purchases below and exceeding the micro purchase threshold in accordance with FAR 13.106-1(5) d, and 13.106.2(4).

Cardholders have responsibility to capture and maintain integrated charge card account use records and receipts. Record retention requirements may vary between cardholders. Generally for purchases at or below the micro-purchase threshold, retention of cardholder records is 3 years, if transaction(s) are above the micro-purchase threshold the retention period is 6 years and 3 months.

A/OPCs must retain records and related documents, including letters and forms relating to designations of Approving Official, Letters of Cardholder Delegation of Procurement Authority in DOI Learn system. A/OPCs are



not required to maintain records of cardholder applications after charge card issuance. A/OPCs may request an electronic copy of the cardholder application from JP Morgan Customer Service upon receipt of an OIG investigation documentation request.

3.26 – Use of Electronically Image Record Storage

Office of Management and Budget Circulars permit the substitution of electronically imaged records for the original records. FAR 4.703(c)(3) also addresses records retention for Federal contractors. In addition, Federal awarding agencies may authorize substitution of copies of original records for the original records. In addition to the record retention requirements of FAR 4.703, the Contractor shall be the Government's agent for document repository as it relates to all transactions under the card program(s). The Department's implementation of cardholder online reconciliation (reviews and approve) authorizes substitution of electronically imaged records for originals, and establishes JP Morgan electronic access system as the electronic repository for purchase business line transactions.

Electronic statement of accounts and electronically imaged cancelled checks are available online in PaymentNet document repository. Authorization to use alternate storage mediums does not alleviate the responsibility to develop, implement, maintain, and monitor financial and administrative systems. In recognition of this responsibility, bureaus and offices have the option of which type of record storage medium (paper vs. electronic) it elects to use for employees who do not have access to a computer.

3.27 – End of Fiscal Year Spending Cut-Off Dates

A/OPCs should coordinate with their Finance Office to establish a cut-off date for purchases to be made at the end of the fiscal year. Local guidance should include a cut-off date, the steps the cardholder should follow in an emergency situation after the cut-off date, and what steps should be taken in the event of DOI being under a continuing resolution where funds are not readily available.

3.28 – JP Morgan Customer Service Support

JP Morgan Program Coordinators provides day-to-day help desk support for A/OPCs servicing needs such as account maintenance, real-time program changes, basic system functionality, and assisting the A/OPCs with issue resolution. Click here for more information on [Card Solution for the Federal government](#). The Client Application team provides technical assistance and help desk support on PaymentNet, such as error messages, questions on reports, navigational support, and "how to" questions. Click here to access [Client Application Support website](#). JP Morgan Customer Service agents provide support to cardholders for a wide range of services including, but not limited to:

Lost or stolen card reports	Returns and credits	Payment information	User Ids
Transaction authorizations	Replacement cards	Balance inquiries	Password reset
Specific charge inquiries	Account closures	Emergency services	Training
Card activation	Statement questions	Account Status	Fraud prevention

END OF SECTION 3



SECTION 4 TRAVEL

4.0 – Travel

Transactions under the travel business line must comply with the Federal Travel Regulations, Departmental Manual, and the DOI Financial Administration Memoranda. See <http://www.doi.gov/pfm/travel/index.cfm>. Note: None of the features of the travel business line, e.g., ATM cash advances, restaurant charges, etc., may be used independently of authorized travel. Accounts are not private and are subject to review at any time.

Cardholders are expected to:

- Use good judgment and management (prudent person rule) and keep their card secured at all times.
- Use their card only in conjunction with official Government travel, complying with the terms and conditions of the JP Morgan GSA SmartPay 2 Integrated Cardholder Agreement.
- Keep their account in good standing by paying their individually billed transactions in full each month.

The majority of travel business line expenses are centrally billed, e.g. common carrier transportation, lodging, rental cars, shuttles, taxis, airport parking, and fuel. Other expenses, such as ATM withdrawals and fees and meals and incidental expenses obtained outside of hotels are individually billed. The centrally billed items will be listed below the “Memo Items Below” line on the cardholder statement of account. All centrally billed transactions are paid daily by Bureaus through an automated interface; cardholders are responsible for paying the monthly total individually billed transactions.

4.1 – Authorized Use

Use of the integrated charge card shall be restricted to Government personnel who have received proper training in the use of the card. Furthermore, except as authorized by the applicable GSA master contract, the only person authorized to use the card is the person whose name appears on the integrated charge card. Permitting someone else to use your charge card, even within the same program office or activity, may result in disciplinary action and/or cancellation of your cardholder privileges. Additionally, the integrated charge card must not be issued to or used by contractor personnel under any circumstances.

4.2 – Mandatory Use

In accordance with DOI policy, employees are required to use the Government-issued J.P. Morgan MasterCard for all travel expenses and cash advances unless an exemption has been issued. Whenever an employee is on official Government travel, their charge card must be used for the following transactions:

- Transportation tickets, e.g., airline, rail, or bus travel and Travel Management Center (TMC) fees;
- Rental vehicles;
- Fuel for the rental vehicle;
- Lodging;
- Cash advances (within 5 calendar days prior to the official travel and never after TDY has ended); and
- Other official expenses (Listed as Exceptions in paragraph 4.2), whenever possible.



4.3 – Exceptions from Mandatory Use

The Federal Travel Regulation (FTR) lists the following categories as being exempt from mandatory use; however, this does not prohibit using the charge card when it is accepted.

- Expenses incurred at a vendor that does not accept the MasterCard;
- Laundry/dry cleaning;
- Parking;
- Local transportation system;
- Taxis;
- Tips (transportation);
- Meals (when use of the card is impractical, e.g., group meals);
- Phone call if the FTS MCIW telephone calling card is not available;
- An employee who has an application pending;
- Invitational travel;
- New appointees; and
- Relocation allowances prescribed in the FTR, Chapter 302, except en-route travel and house hunting trip expenses.

4.4 – Restrictions & Limitations

The card must not be used to purchase any of the following:

- Direct charge (through swipe) to fuel privately owned vehicles. However, cash advances are permissible to pay fuel costs while on official travel orders at or below the acceptable per diem rate.
- Fuel for a privately owned vehicle. (Mileage reimbursements include the cost of fuel).
- Personal or unofficial rental vehicles. (Charges must be paid separately with personal funds).
- Conference fees
- Travel accommodation or expenses for someone other than the cardholder and family members performing relocation travel.
- If reserving a block of sleeping rooms or meeting rooms, equipment, and related services, the reservation and transactional purchase must be made using the purchase business line or through the supporting procurement office, individual lodging may not be paid with the purchase business line. When using the purchase business line for lodging, pay particular attention to hotel cancellation policies to prevent charges for unused rooms.
- Consultant travel. (If applicable, travel provisions should be included in the consultant's contract). The purchase of travel and transportation tickets for contractors is prohibited (with or without the charge card). See FAM 98-023 (II.G.1).



Government travel arrangements such as transportation, lodging, or car rentals must be made with the Government-issued charge card through the DOI Travel Management Center at www.govtrip.com, or the Electronic Travel System. Using the Government-issued charge card to purchase transportation or lodging through commercial online travel booking tools e.g. Travelocity, Orbitz, Expedia, Kayak, Airline Websites, etc. is prohibited. The Government-issued charge card can be used for lodging when:

- Conference lodging has been reserved as a block of rooms and the traveler must contact the hotel directly in order to receive the conference rate or
- When a traveler must make unplanned stops while in a travel status, they may reserve lodging directly with a lodging provider.
- Other situations as defined by Bureau policy.

Note: The FTS MCIW telephone calling card must be used in lieu of the integrated charge card for all business and authorized personal calls while on official Government travel. The integrated charge card should be used only if the calling card is not available. Failure to obtain an FTS MCIW telephone calling card from the bureau does not constitute a proper justification for the traveler not having a card available.

4.5 – Corporate Accounts

Corporate accounts may be established to purchase transportation tickets and any related fees for individuals, such as:

- Interviewees and Invitational Travelers;
- Employees who have applied for but not yet received a card;
- Employees serving without an appointment;
- Employees and their immediate family members performing relocation travel; and
- Employees who have lost their charge card privileges.

Employees who have lost their card privileges due to misuse or account delinquency and need to travel must use the corporate card for transportation tickets. Unless bureaus have a Declining Balance card program that allows employees who have lost their privileges to receive one, the employees must use their personal funds to finance the remainder of their travel. They will claim reimbursement through their bureau's normal travel vouchering process.

The corporate account is issued in the name of the organization, with a specific individual designated the responsibility for managing and reconciling the account. Corporate accounts may be used only for transportation tickets under certain conditions, as explained in this document.

4.6 – Declining Balance Accounts

Declining balance accounts may be established and used during a limited time period (e.g., within a 3 year period), for a limited amount, possibly for a specific vendor or project. The available balance declines as the stored value card is used. For frequent use on a recurring basis, an account may be reused by resetting/refreshing the card's cycle limit. The stored value or declining balance card accounts are centrally billed and do not require a credit worthiness determination. A separate invoice will be prepared and issued from JP Morgan.



The declining balance card account may be established and issued to cover Temporary Duty (TDY) Travel Allowances and any other related fees for the following individuals:

- Employees who have applied for but not yet received a card;
- Employees serving without an appointment
- Employees and their immediate family members performing relocation travel
- Employees who have lost their charge card privileges
- Interviewees performing pre-employment interview travel; and
- Invitational Travelers on official government business

During the period of travel and for the purposes of receiving TDY allowances; invitational travelers are considered “employees” of the agency while on official government business (see FAR 301-1.2).

4.6.1 – Spending and Cycle Limits

Bureaus need to determine spending and cycle limits in accordance with their Bureau mission. Bureau policy must include the basis for the determination and ensure appropriate controls exist.

4.6.2 – Card Issuance and Set Up

Contact your bureau A/OPC for application set-up and procedures.

4.6.3 – Card Use

The Declining Balance card can be used for expenses which are normally related to official government travel and relocation. Expenses such as, but not limited to the following:

- Airline and Lodging
- Rental Car and other modes of ground transportation
- Meals and Incidental Expenses and other authorized reimbursable expenses.

The cardholder will be responsible for any charges made using the Declining Balance card for either travel or relocation prior to the effective date of the travel if the travel is cancelled. The DOI employee, acting as a sponsor, must not make any charges to the Declining Balance card for their travel expenses; they must use their Government-issued charge card for their travel-related expenses.

4.6.4 – Documentation

When the Declining Balance card is being used for invitational travel, the office sponsoring the travel must have written or electronic authorization for each invitational traveler. All supporting documentation must be maintained in accordance with Bureau policy.

4.7 – Emergency Responders

Cardholders who will be away from the office on official business for extended periods, which will prevent them from filing their vouchers timely (e.g., emergency personnel, employees evacuated due to natural disasters), should



have their accounts designated as emergency responders. This will prevent their charge card from being suspended or cancelled due to delinquency.

Supervisors are responsible for notifying the A/OPC when the mission critical designation is no longer needed. Mission critical status must not be abused; cardholders in this status must make every reasonable effort to file for travel reimbursement and pay their charge card bill in full as soon as possible. Employees who are on long-term travel are expected to file vouchers at least every 30 days.

Upon written approval of the cardholder's supervisor and concurrence by the Bureau Assistant Director for Administration or equivalent, the A/OPC may designate the cardholder as "mission critical" provided that:

Payments on the account are current (no outstanding delinquency); and
The nature of the cardholder's work, e.g., extended travel requirements, overseas travel assignments, may prevent the cardholder from being able to make payments for individually billed transactions by the specified due date.

4.8 – Travel Management Center (TMCs) or Electronic Travel System (ETS)

Government-issued charge cards are prohibited from being used to arrange for transportation or rental cars outside of the TMC or ETS. Only under limited circumstances, as explained in paragraph 4.x can the Government-issued charge card be used for obtaining lodging outside of the TMC or ETS.

4.9 – Permanent Change of Duty Stations (PCS)

The charge card should be used for intra-Bureau house hunting and en-route travel and may be used where possible for other portions of relocation expenses, with written Bureau consent. The employee must pay the full charge card statement balance due timely the due date specified on the statement. Reminder: Because PCS travel vouchers have additional review and payment processing requirements and must flow through payroll, employees' reimbursements generally take longer than normal travel reimbursements. Additional information can be found at <http://www.doi.gov/pfm/travel.html>.

4.10 – Overseas Tour Renewal Travel

This refers to travel for the employee and their immediate family returning home between overseas tours of duty and is addressed in 41 CFR 302-3.209 through 302-3.224. The Government-issued charge card may be used for the employees authorized transportation and M&IE allowance; transportation costs of eligible dependent family members must be purchased with the Bureau's corporate cards. Additional information can be found at <http://www.doi.gov/pfm/travel.html>.

4.11 – ATM/Travel Advances

Cardholders with ATM privileges may obtain authorized cash advances for official travel expenses within 5 calendar days prior to the beginning date of the official travel or while in actual travel status. Travelers are prohibited from using their government issued charge card once they have returned from TDY. Travel advances are limited to a percentage of expected allowance for M&IE and reimbursable out-of-pocket expenses.



If an ATM advance cannot be issued, a Government advance may be requested in accordance with Bureau policy convenience checks shall not be used to provide travel advances.

4.12 – Hardship Cases

In cases of extreme hardship, cardholders who have lost charge card privileges may be issue a stored value card and should follow Bureau policy.

4.13 – ATM Terminal Fees and Cash Advance Fees

J.P. Morgan ATM terminals do not charge an ATM terminal or access fee when using the Government-issued charge card; other banks usually charge a terminal fee. J.P. Morgan will assess a 1.75% cash advance fee, which can also be claimed on your voucher. J.P. Morgan's ATMs may be located by calling 1-888-297-0781 or -on the internet at www.jporganchase.com.

4.14 – Merchant Surcharge Fees

As a result of the settlement between a class of retailers and the brands (VISA/MasterCard), on January 27, 2013, merchants in the United States and U.S. Territories are permitted to impose a surcharge on cardholders when a charge/credit card is used.

4.15 – Documentation and Record Retention

Cardholders are required to attach charge card receipts for rental cars and lodging to their travel vouchers in the Electronic Travel System. Cardholders with both purchase and travel business lines are required to upload receipt documentation in the JP Morgan PaymentNet which serves the document repository. Approving officials are also required to perform their review and approve. Travel business line, receipts and supporting documentation will also be filed with the travel voucher in accordance with rules and regulations for submitting the voucher. Originals of receipts for centrally billed items (listed as "Memo" item on the charge card statement) such as car rentals, lodging (where allowed), etc., should be submitted with the travel voucher but not claimed as a reimbursable expense on the voucher. Cardholders are required to upload airline, hotel, car rental receipts and all other expenses over \$75 for record retention.

4.16 – Reconciling the Statement of Account

The statement period usually ends on the 19th of each month. If transactions were charged to a cardholder's account, a statement of account will be mailed to the accountholder. In addition, individual transactions are available for review in PaymentNet, as well as an electronic version of the monthly statement. Detailed reconciliation is a vital control and step in maintaining the efficiency and accuracy of the ICCP. See Section 3.14

4.17 – Individual & Central Billing Transactions

Travel is the only business line where some expenses – airline tickets, lodging, rental cars, some shuttles, airport parking, and fuel are centrally billed, while other such items as ATM withdrawals and fees, and meals are individually billed. The centrally billed items will be listed below the "Notice Memo Items Listed Below" line on



the cardholder statement of account and will be shown with an “M” printed before the dollar amount; they will not be included in the balance due.

The cardholder must review and verify the accuracy of all “Memo” billing items just as carefully as if these items were billed for individual payment. Individually billed transactions will appear first on the statement of account. Any incorrect charges must be promptly disputed by seeking credit from the merchant and in PaymentNet or by contacting J.P. Morgan Customer Service . All charges that are centrally billed to the finance office will include the identity of the employee who incurred the charge

4.18 – Cardholder

The cardholder must do the following:

- Review and reconcile their monthly statement in accordance with this policy and verify that each transaction is legitimate and correct. Determine if any transactions need to be transferred from individually billed to centrally billed or vice versa; request the transfer in accordance with your bureau policy);
- Ensure that centrally billed items have not been included on the travel voucher for reimbursement;
- Determine if any transactions should be disputed. If a transaction must be disputed, contact the merchant first to try and resolve the issue. If it cannot be resolved with the merchant, dispute the transaction in PaymentNet or contact JP Morgan to report the dispute. The dispute must be initiated within 60 days of the transaction date;
- Determine if any transactions should be reported as fraud, if so report it to JP Morgan’s Fraud Department at 1-888-297-0781;
- As per cardholder agreement, pay individually billed items by the due date, regardless as to whether you have received your travel reimbursement;
- File signed billing statements and original supporting documentation in accordance with this policy.

4.19 – Approving Officials

The approving official must do the following:

- Review reconciled statements and receipts in accordance with Bureau policy;
- Certify cardholder statements within 30 business days of the statement date;
- Provide necessary assistance to the A/OPC to resolve discrepancies identified in exception reports; and
- Ensure the original statements of account and original supporting documentation is centrally filed in accordance with Bureau policy.

4.20 – Making Payments

In accordance with the Integrated Cardholder Agreement, payment must be made in enough time for payment to be received by the date specified on the statement of account.

There are three ways to submit payments to J.P. Morgan for individually billed transactions:



- Mail a check with the return portion from the monthly statement. Cardholders are responsible for paying postage for payment of individually billed transactions.
- On-line at the [PaymentNet](#) website. It is necessary to set up a login and PaymentNet User ID. Contact an A/OPC for assistance.
- By calling J.P. Morgan at: 1-888-297-0781. There is no fee for this service.

4.21 – Travel Vouchers

You must list all reimbursable expenses on your travel voucher. When on TDY travel, you should submit your voucher within five days after returning from travel; TDE and PCS travelers must prepare and submit the voucher within 5 days of the completion of the trip, or every thirty days, whichever is less. When completing a travel voucher you should claim reimbursement for M&IE, mileage, ATM fees, travel in/around your official duty site and/or alternate duty site or to/from transportation terminals for official business performed in conjunction with an approved travel authorization and other miscellaneous expenses that will be individually billed (IBA). The travel expenses that are centrally billed, such as lodging, airline, train, car rental, fuel and airport parking, are not to be claimed for reimbursement on your travel voucher. However, they must be claimed on the voucher and annotated as centrally billed expenses. Receipts for all lodging and transportation expenses regardless of the amount, and for all expenses in the amount of \$75.00 or more should be scanned and submitted to GovTrip with the travel voucher. You should keep a copy of the voucher and all receipts in case a question or problem comes up about your reimbursement. Copies of charge card receipts should go with the travel voucher and the original receipt is required to be submitted with the statement for central filing.

All rental vehicle reservations must be made through the DOI E-Gov Travel System (ETS). Since rental car and fuel charges will be centrally billed, you need to make sure that only official, reimbursable rental car expenses are charged to your card. Charges resulting from personal and/or unofficial use must be billed separately to a personal charge card or paid by other means. Because rental car costs are a centrally billed item, you must return your authorized Government rental car and initiate a new rental agreement for any period that you are on annual leave (or other unofficial duty days) during official travel. You may not use the Government charge card to pay for the rental car, even if you intend to only claim reimbursement for the official travel portion of the bill. You are also prohibited from paying a rental vehicle for official use with a personal credit card. You must utilize the Government charge card for rental cars used for official travel.

4.22 – Local Travel

The use of the Government-issued charge card for local travel is at the discretion of the Bureau to which the employee is assigned. Use of the Government Travel Card to purchase meals while on local travel is prohibited.

4.23 – Fees and Late Fees

Cardholders should avoid late fees and other assessments by paying all undisputed individually billed transactions when they are due. To ensure that their account will be promptly and properly credited, cardholders must always remember to put the last four digits of the charge card account number on the face of any check that they send to J.P. Morgan. A late fee of \$25.00 per month will be assessed if the payment is 126 days past the payment due date.



4.24 – Returned Check Fees and Collection Fees

J.P. Morgan charges a \$25.00 fee for returned checks. The fee is not reimbursable. If J.P. Morgan refers a cardholder's account to an attorney for collection, the cardholder will be responsible for attorney's fees, the account balance, plus all other costs of collection and court costs except those prohibited by law.

A cardholder who presents two checks for payment that are returned for Non-Sufficient Funds (NSF) in a 12-month period are subject to having their accounts cancelled by JP Morgan. There is no appeal process available to either the Bureau or the Department to have this action reversed.

4.25 – Delinquency

Cardholders must comply with the terms and conditions of the Integrated Cardholder Agreement (the Agreement), including the timely payment of account balances. When cardholders activate or use their charge card, they are agreeing to comply with the Agreement. Under the terms of the Agreement, payment is due to the bank by the payment due date specified on the cardholder's billing statement. Timely payment of cardholder's accounts must be made regardless of travel voucher reimbursement status. A/OPCs must monitor the Delinquency Report available in PaymentNet on at least monthly basis and notify the responsible approving official of any delinquencies of cardholders under their purview. Bureau policy must identify the internal process that A/OPCs should follow when notifying approving officials. In addition, Bureau policy must address the process or processes that approving officials should follow in addressing delinquencies.

Employees with a delinquent account may be subject to disciplinary action in accordance with the Department of the Interior's Personnel Handbook on Charges and Penalty Selection for Disciplinary and Adverse Actions for disregard of directives or regulations. Additionally, the terms of the Agreement, an account may be cancelled if the account has been suspended twice during a 12-month period for non-payment of undisputed principal amounts and becomes past due again. PaymentNet will automatically send an account delinquency email alert to cardholders when the undisputed individually billed transactions remain unpaid 45 calendar days after the date of the statement of account on which the charges first appeared. The cardholder will have 15 days to pay the undisputed individually billed transactions to avoid card suspension and salary offset proceedings.

4.26 – Suspension or Cancellation Effect on Other Business Lines

Suspension or cancellation of the travel business line of a cardholder's account due to delinquency will result in the suspension or cancellation of any other business lines, e.g., fleet, purchase, on the cardholder's account.

4.27 – Salary Offset

The cardholder's account will be suspended and further charges prohibited if any undisputed individually billed transactions remain unpaid 61 calendar days after the date of the statement of account on which the charges first appeared. J.P. Morgan will notify, the Interior Business Center (IBC) Payroll Operations Division of the delinquency, who, in turn, will send a letter to the employee. The letter will inform the cardholder of JP Morgan's request for collection assistance and the employee's due process rights. It will notify the cardholder that if the



account is not satisfactorily resolved within the next 60 days, which will be the 120th calendar day, following the date of the billing statement, payroll offset will begin.

When an account with an undisputed individually billed balance remains unpaid 96 calendar days after the date of the billing statement on which the charge first appeared, the account will be cancelled. If an account balance is not satisfactorily resolved, the IBC may begin salary offset after 120 calendar days.

4.28 – Credit Bureau Reporting

In accordance with the GSA SmartPay master contract, J.P. Morgan has the authority to report any past due account that has been cancelled and is not in a J.P. Morgan approved payment plan. All Government charge card accounts reported to the credit bureau will be identified as a business account issued to the cardholder based on employment, not as consumer credit cards.

4.29 – Traveling When Card Has Been Suspended or Cancelled

Corporate cards or Declining Balance cards will be used for employees who lose their charge card privileges due to misuse or account delinquency to avoid use of employee personal funds to finance travel expenses. Transportation tickets must be purchase purchased using a corporate account. The Declining balance cards can be used for hotel, rental car expenses and M&IE. When personal funds are used, employees will be reimbursed through the travel voucher process. No travel advances (by either cash or check) will be authorized except under hardship conditions approved by the program assistant secretary.

4.30 – Limited Use and/or Restricted Use Cards

Limited use cards are issued to employees who are either infrequent travelers or who have had their accounts reinstated as a result of delinquency or misuse. One or more of the following limitations may be applied to the account:

- Activated only for the days the cardholder is performing TDY
- Have reduced spending limits
- In the event of previous cash abuse, the cash advance privilege may not be restored.
- Accounts established with no individually billed activity will only be authorized to use for airline tickets, rental cars, rental car fuel, shuttles, and airport parking associated with official travel. All other costs associated with official travel must be paid with personal funds, which can be reimbursed through the travel voucher process.

Restricted use cards are issued to employees whose credit scores did not meet the criteria that warranted full spending limits or refused a credit worthiness certification. Restricted cards will have lower spending limits than cards issued under the standard process. The cardholder may apply for a standard card after their account has been in good standing for at least 12 months.

END OF SECTION 4



SECTION 5 PURCHASE

5.0 – Purchase

This section is generally directed to non-warranted cardholders whose use is restricted to micro-purchases. The purchase card is to be used as a payment mechanism, not a contracting mechanism. The use of the charge card is not a substitute for the acquisition process. All the applicable requirements of the Competition in Contracting Act, other statutes and Executive orders, and the Federal Acquisition Regulation (FAR) apply to purchases made using the purchase card for payment (see FAR 13.301). Purchase business line transactions are centrally-billed and paid by the Government. Cardholders with delegated purchase authority are responsible for observing the “prudent person” rule; that is, they are expected to use the card practically and sensibly and to exercise good judgment in its use at all times.

In accordance with FAR Subpart 13.201(b), “The Government wide Commercial Purchase Card (Integrated Charge Card) shall be the preferred method to purchase and to pay for micro-purchases”. The micro-purchase limits are: \$3,000 for supplies, \$2,500 for services subject to the Services Contract Act, and \$2,000 for construction subject to the Davis-Bacon Act. In accordance with FAR Part 22, purchase of equipment or services sold or traded in substantial quantities to the general public in the normal course of business operations are exempted from Service Contract Act applications for maintenance, calibration, and repair of certain equipment. Services provided at prices which are, or are based on, established catalog or market prices for the maintenance, calibration, or repair of equipment are also exempted.

In accordance with the Freedom of Information Act, identification report of cardholders having purchase authority is public information. Therefore, cardholder’s having purchase authority must use their office address as the address of record for the bank’s system to protect using personal identification information.

5.1 – Eligibility

Employees must have their supervisor’s approval and meet all training requirements before being authorized to make purchase transactions. Mandatory periodic refresher training is required. Purchasing authority may be suspended for, e.g., failure of satisfactory completion of mandatory training and refresher training requirements, failure to perform review and approve online reconciliation (when implemented by their Bureau), no longer have a need, splitting orders, fraud, waste, abuse, misuse, etc. Cancellation of travel business line due to delinquency and/or misuse may result in the cancellation of purchase authority. Purchase authority may be granted to cardholders who have lost their travel privileges by issuing a purchase business line only card under conditions deemed necessary by the BPC and approved by JP Morgan.

5.2 – Authorized Use

Integrated charge cards cannot be used as a substitute for the acquisition process. Use of the integrated charge card shall be restricted to Government personnel who have received proper training in the use of the card. Furthermore, except as authorized by the applicable GSA master contract, the only person authorized to use the card is the person whose name appears on the integrated charge card. Permitting someone else to use your charge card, even within



the same program office or activity, may result in disciplinary action and/or cancellation of your cardholder privileges. Additionally, the integrated charge card must not be issued to or used by contractor personnel under any circumstances. Cardholders should always notify the vendor/contractor at the point of sale to not charge the card for the purchases until shipment is made and that purchases are for official U.S. Government purposes are centrally billed, and therefore, are tax exempt in all 50 states.

5.3 – Purchase Management Controls

5.3.1 – Span of Control

Span of control refers to the extent of review responsibilities placed on a single approving official for the purchase card transactions of one or more cardholders. The number of cardholders assigned to an approving official should be reasonable considering the volume of cardholder activity and the organizational structure to enable an approving official to conduct reviews to ensure detection of possible cases of misuse and fraud. The approving official shall have direct knowledge of the cardholder's role and must have the ability to verify receipt of goods or services.

5.3.2 – Separation of Duties

Separation of duties minimizes the risk of fraud and/or loss of property. To ensure that management controls are not circumvented, the responsibilities of an approving official and A/OPC should not overlap. Assignment of duties such as authorizing, approving, and recording transactions; receiving assets; approving cardholder statements; making payments; certifying funding; and reviewing or auditing must be assigned to separate individuals to the greatest extent possible. A cardholder should not be an Approving Official over a superior.

5.4 – Split Purchase

For non-warranted cardholders, the maximum single-purchase spending limit is as follows: \$3,000 for supplies, \$2,500 for services, and \$2,000 for construction. Transactions must not be split into smaller purchases so that each order falls within the single-purchase limit. Purposely splitting a purchase may result in the cancellation of purchasing authority and disciplinary action. Repeated purchases over short periods of time may be considered splitting requirements. Contact bureau procurement office for specific guidance. Only warranted cardholders may use the charge card above the micro-purchase threshold. Charges that are recurring, e.g., monthly, weekly, semi-annually, etc., that exceed the micro-purchase threshold within a 12-month period must be reviewed for establishment of a contracting vehicle. If deemed necessary, the contract vehicle will be established and the charge card will then be used as a method of payment.

5.5 – Micro-Purchases

Cardholders shall comply with the following guidelines when making micro-purchases:

- Ensure purchases are allowable
- Ensure availability of funds
- Obtain required approvals
- Distribute purchases equitably among qualified suppliers
- Use Required Sources of Supplies and Services
- Determine price reasonableness
- Do not split requirements



- Do not exceed spending limits
- Comply with requirements for Energy and Water Efficiency and Renewable Energy
- Comply with requirements for use of Recovered Materials and Bio-based Products
- Comply with requirements for Contracting for Environmentally Preferable Products and Services
- Comply with Section 508 requirements

5.6 – Central Billing of Transactions

Purchase business line transactions are bill centrally to the Government. However, cardholders with both the travel and purchase business lines on their card may have some transactions individually billed that should have been centrally billed. In those cases, the cardholder should request through the Approving Official and A/OPC the transaction be transferred to centrally billed. See Section 3.16 entitled Transferring Transactions.

5.7 – Allowable Purchases

The purchase card may be used to purchase Government required commercially available supplies and services, including, but not limited to the items outlined in paragraphs 5.7.1 through 5.7.8 below.

5.7.1 – Telecommunications Charges

The purchase business line is the preferred method of payment for monthly cellular airtime, monthly pager service and other recurring telecommunications charges.

5.7.2 – Mobile Devices and Services

The purchase business line is the preferred method of payment in conjunction with commercial wireless carriers' web-based ordering and expense management portals for DOI's enterprise wireless device acquisition, services, and mobile applications in lieu of less streamlined ordering and payment methods. Cardholders shall obtain Office of the Chief Information Officer (OCIO) approval prior to placing orders, for wireless devices.

5.7.3 – Mobile Applications

Cardholders making Apple purchases below the micro purchase threshold shall use the GSA Schedule located on the Apple Portal at [https://ecommerce.apple.com/asb2b/home/\(rdb=0\)/do](https://ecommerce.apple.com/asb2b/home/(rdb=0)/do). Cardholders purchasing commercial Apple applications through the iTunes store are required too: install iTunes onto their computer; establish an account; purchases the application using iTunes Apple Account and "Gifts" the application to the DOI employee email address. Apple iTunes will send an email to the DOI employee; IT-Helpdesk installs the licensed application on the DOI managed device.

5.7.4 – Construction Services

The purchase of construction services including, building alterations, maintenance, painting, and installation of carpet, not to exceed \$2,000 aggregated.

5.7.5 – Conference Related Expenses

Use of the purchase business line to obtain short term conference/meeting space for official business is permitted. The purchase of conference-related expenses such as registration fees, conference rooms, audio and video equipment and meeting spaces, purchase or rental of booth space and promotional conference trade show materials are authorized using the purchase card.



5.8 – Third Party Transactions

The use of third party transactions is discouraged with the purchase business line because there is a greater risk of abuse, issues involving disputed transactions, and difficulty identifying and reconciling transactions. Third party credit card processors should only be used when no other merchants can supply the product or service or meet delivery, quantity, or quality requirements, and the merchant in question will accept payment only through the third-party processor; or the cardholder used the card to purchase from a merchant but was unaware that the merchant was using a third-party credit card processor.

If third party transactions are used, cardholders must document the purchase log file with the name of the merchant, the name of the third-party processor, the amount of the transaction, and a brief statement explaining why it was necessary to purchase the product or service from that merchant. It may be difficult to reconcile the purchases because the transaction may appear under the name of the third-party processor instead of the merchant name.

5.9 – Crew Chief, Fire and Other Emergencies

Crew chiefs and the contracting officer are allowed to make travel arrangements on their purchase business line for fire crews while official assignment. Before charges are allowed to be made, the account must be updated with the emergency authorization control set. This allows for food, beverage, transportation, and lodging purchases for other employees during this documented and approved period. All transactions require the same documentation requirements as the standard purchase business line. Additionally, transactions made for fire crews must contain an accurate listing of the crew-members receiving the goods or services purchased. The listing for each transaction and documentation showing the official assignment must be included with the supplemental documentation.

5.10 – Required Sources of Supplies and Services

5.10.1 – Purchase of Supplies

Cardholders shall satisfy FAR Part 8 requirements for supplies from the following sources, in descending order of priority, except as otherwise provided by law.

- Agency inventories (e.g., excess property)
- Excess property from other agencies (see Subpart 8.1)
- Federal Prison Industries, Inc. (see Subpart 8.6)
- Supplies which are on the Procurement List maintained by the Committee for Purchase from People Who are Blind or Severely Disabled (see Subpart 8.7)
- Mandatory Federal Supply Schedules (see Subpart 8.4)
- Optional use Federal Supply Schedules (see Subpart 8.4)
- Commercial sources (including educational and nonprofit institutions)

5.10.2 – Purchase of Services

Cardholders shall satisfy requirements for services from the following sources, in descending order of priority, except as otherwise provided by law.

- Services which are on the Procurement List maintained by the Committee for Purchase from People Who are Blind or Severely Disabled (see Subpart 8.7)



- Mandatory Federal Supply Schedules (see Subpart 8.4)
- Optional use Federal Supply Schedules (see Subpart 8.7)
- Federal Prison Industries, Inc. (UNICOR) (see Subpart 8.6).

5.11 – Federal Strategic Sourcing Initiatives (FSSI)

GSA FSSI commodity awards have been made for Office Supplies, Smart BUY for various IT commodities, Ground Domestic Delivery Services, Wireless Services and Managed Print Services are available for use. DOI also hosts a number of strategic sourcing initiatives for various mission unique commodities. The GSA BPAs (multiple vendors) for office supplies are mandatory sources for DOI.

SmartBUY is a government wide enterprise software licensing initiatives established to maximize the buying power of the government and decrease the cost of widely used commercial software. The requisitioner/user must check http://www.cio.energy.gov/it-acquisition/smart_buy.htm to see if what they need to buy is on the list of SmartBUY agreements in place and annotate the purchase request accordingly. If there is an agreement in place, the cardholder must purchase in accordance with that agreement. If the required software is not available under an existing SmartBUY agreement, the requirement shall be processed internally under normal local procedures.

Cardholders should ensure Information Technology systems and products are able to receive, process, and transmit or forward Internet Protocol Version 6 (IPv6) packets and should interoperate with other systems and protocols in both IPv4 and IPv6 modes of operation.

For these and all other FSSI/SSI solutions please visit www.gsa.gov/fssi or contact the DOI SSI program manager.

5.12 – Green Procurements

Cardholders shall purchase green products and services to the maximum extent practicable, consistent with the requirements of Executive Order 13423 and 13514, Federal Acquisition Regulation Part 23 and DIAPR 2008-07. Programs covered under the Green Procurement Program include:

- Recovered Materials Products;
- Biobased Products;
- Energy Efficient Products;
- Water Efficient Products;
- Non-Ozone Depleting Products; and
- Environmentally-Preferable Products and Services.

5.13 – Section 508 Rehabilitation Act Requirements

Cardholders must comply with the Section 508 Rehabilitation Act requirements by ensuring that requirement officials provide the required determinations and adequately documenting purchase card files. Approving officials should ensure cardholder compliance when reviewing and approving cardholder documentation of purchases. For additional assistance on Section 508, please contact your accessibility coordinator.



5.14 – International Transactions

5.14.1 – Gratuities

Gratuities are limited to those foreign countries where the exchange of items is customary and to those instances where it is necessary for the promotion or advancement of the agency's mission. The expense may be incurred in the foreign country or the area of assignment.

5.14.2 – Trade Events

The purchase of or payment of overseas trade event and hospitality-related expenses such as registration fees, conference rooms, audio and video equipment and meeting spaces, paid advertisements in newspapers or other publications are authorized.

5.14.3 – Authorized Fees and Rate of Exchange

When using the purchase business line outside the United States, the charge is converted to U.S. dollars. The international MasterCard and Visa networks charge one percent for the exchange process, and bills the servicing bank for that amount. JP Morgan tacks on an additional surcharge of its own and bills the cardholder. When purchase business line is used to get local currency at an ATM outside the U.S., the international networks immediately calculate the exchange and debit the account in dollars.

5.15 – Charge Card Restrictions

In accordance with the GSA SmartPay® Program, the purchase business line shall not be used for the following:

- Long-term rental or lease of land or buildings. (long-term is generally defined as one year or more);
- Travel or travel-related expenses; (excluding conference rooms, meeting spaces, and local transportation services such as Metro Farecards, subway tokens, etc.); and
- Cash advances.

5.15.1 – Departmental Restrictions

Department of the Interior regulations or policies prohibit the purchase of supplies or services that should be placed on a travel business line or fleet card, including the purchase of gas or oil for Department-owned vehicles and repair of Department or leased vehicles, with the purchase business line.

5.15.2 – Non-Monetary Awards

The integrated charge card shall not be used to purchase prohibited items as described in the President's Executive order *Promoting Efficient Spending*, and the Department's award policy found in 370 DM 451.5.

Gift cards or other items that can be easily converted to cash (i.e., gift certificates, gift cards, U.S. Savings Bonds, tickets, or similar items) may not be used for this purpose. Consistent with Executive Order 13589, *Promoting Efficient Spending*, and DOI policy, *Restrictions on the Purchase of Promotional Items*, March 29, 2012, promotional items may not be used for this purpose, including for example, watches, and fruit baskets, balloons, coffee cups, key chains, jackets, caps, T-shirts, clocks, plaques or similar items.



5.15.3 – Federal Appropriations Law Restrictions

In accordance with principles of Federal Appropriations Law, the following items are generally prohibited from purchase with appropriated funds. As there may be authorized exceptions for certain items, cardholders shall obtain approval from the BPC after legal review and document the exception prior to purchase of any of the following items.

- **Entertainment:** Entertainment includes, but is not limited to, food and drink, receptions, banquets, music and artistic performances.
- **Water:** The General Accounting Office (GAO) has held that in a variety of cases under the “necessary expense rule” appropriated funds should not be used to pay for subsistence or to provide “free food” to government employees while at their duty stations. Bottled water is considered personal expense and therefore not an allowable purchase.
- **Fines and Penalties:** Fines and penalties include, but are not limited to parking tickets and personal fines.
- **Gifts and Awards**
- **Personal Expenses and Furnishings:** Personal expenses and furnishings include, but are not limited to: convenience items, decorative items, wearing apparel, commuting expenses, personal membership fees, and personal qualification expenses.

5.15.4 – Prohibited Uses

Purchase transactions must comply with the Federal Acquisition Regulation as well as other Departmental/Bureau policies and procedures. It is important to note that many items may require special approval or may be prohibited. Contact your bureau acquisition office for details.

The purchase business line *must not* be used to purchase:

- Advanced payments ;
- Personal items (coffee pots, refrigerator, radios, etc.), personal services, and membership dues;
- Travel-related charges for employees other than the Accountholder (except with the corporate card, stored value cards, a Student Activity Account, or by Fire Prevention Officers with a Fire Account during an emergency incident);
- Entertainment or recreation (except Student Activity Accounts);
- Employee Clothing;
- Fines and penalties;
- Only authorized Contracting Officers can purchase Firearms, weapons, other weapons, ammunition; explosives and gun powder;
- Detective services (except Law Enforcement cards);
- Major telecommunications systems (PBX); Phone cards
- Motor vehicle lease or purchase;
- Give-away items (gift certificates, plaques, ashtrays, trophies, Christmas cards, and other mementos) except with Student Activity Account;



- Small projects with written specifications, work statements, or drawings; and
- Repairs to vehicles (IA vehicle repairs must be made with fleet business line).

5.16 – Special Approvals, Waivers, and/or Authorizations

There are supplies and services which require special approval because of restrictions placed on appropriated funds. It is the cardholder's responsibility to ensure that all special approvals, waivers, and/or authorizations are approved and documented prior to making the purchase. Special approvals are required for purchases of:

Purchase Requirement	Approval Required from	Reference
Kitchen Appliances (e.g. coffee pot, refrigerator, microwaves etc.)	Bureau Facility Manager	GAO Decision B-302993, Use of Appropriated Funds to Purchase Kitchen appliances, June 24, 2004
GPO Express	Government Printing Office	GPO Circular Letter 625;
Printing and Duplicating, when not using GPO or eligible Native Indian-owned vendors	Bureau Procurement Chief	FAR Subpart 8.802(b); DIAP 2004-6 DOI Copying Policy
Promotional Items	Bureau Procurement Chief	DIAPR 2012-10 Restrictions on the Purchase of Promotional items
Training	Supervisor and training officer signature	DIAPR 2010-24, Procurement of Training

5.17 – Receipt and Acceptance of Supplies and Services

Bureau/Offices should establish independent receipt and acceptance or subsequent review of items obtained with a purchase business line card when appropriate. Cardholders should arrange for immediate inspection of supplies to ensure orders are complete and items are in acceptable condition. Cardholders should maintain delivery receipts and other paperwork regarding the transaction.

5.17.1 – Partial Deliveries

If partial deliveries are received, cardholders must contact the merchant to determine the status on the remainder of the shipment. If delivery of remaining supplies will take more than 30 days, cardholders are required to request a credit to their account. If the partial delivery becomes a dispute, the cardholder should follow the JP Morgan's dispute procedures.

5.17.2 – Damaged or Unacceptable Supplies

Cardholders should promptly return any damaged or unacceptable supplies. If the merchant agrees to replace the item and the new item is acceptable, the cardholder should authorize payment in accordance with normal procedures. If the merchant refuses to replace the item, the cardholder should follow JP Morgan's dispute procedures.



5.17.3 – Returning Supplies to Merchant

Cardholders shall return damaged or unacceptable merchandise and have the merchant issue a credit to the purchase card. Cash refunds shall not be accepted. If the merchant is unwilling issue a credit, cardholders shall follow the JP Morgan's dispute procedures.

5.17.4 – Reporting Accountable Property

When purchasing accountable property, cardholders are responsible for ensuring receipt and subsequent notification to property management. Failure to ensure strict compliance with these procedures could result in card suspension.

5.18 – Convenience Checks

Convenience checks are available only under the purchase business line. Convenience checks are personalized with the cardholder's name, the agency, office address, and the single-purchase limit. This authority is not transferable. The initial and subsequent orders for convenience checks must be placed by the A/OPC. When checks are received, all information should be verified and the quantity received checked. The check supply must be secured and periodically inventoried by the check writer and their approving official.

Convenience check writers have the same responsibilities as purchase business line cardholders in addition to the following responsibilities: reviewing scanned image of canceled checks in PaymentNet; tracking outstanding checks that may appear as transactions on future billing statements; maintaining convenience check transaction files in accordance with records retention requirements and track outstanding checks that may appear as transactions on future billing statements.

Checks are negotiable instruments and must be stored in a locked container, such as a safe or metal filing cabinet. Checks must be accounted for appropriately to prevent loss, theft, or potential forgery. Checks must be reconciled in the same manner as Purchase Business Line transactions. Checks are printed on duplicate paper to facilitate tracking and reconciliation. Duplicate copies of checks must be retained as a part of the file documentation. Electronically imaged cancelled checks are also available online in PaymentNet document repository. Unused checks should periodically be inventoried by the check writer.

5.18.3 – Authorized Uses

Convenience checks are intended only for use with merchants that do not accept, purchase orders, and purchase cards, for emergency incident response, and for other Agency approved purposes that comply with Public Law 104-134, the Debt Collection Improvement Act of 1996. Convenience checks should be used as a payment method of last resort, only when no reasonable alternative merchant is available who accepts the purchase card. Convenience checks shall not be issued to merchants that accept the Government Purchase Card.

These limitations on using convenience checks are necessary because the Department of Treasury has ruled that convenience checks (like other checks) are not Electronic Funds Transfer compliant, e.g., the Debt Collection Improvement Act requires, with limited exceptions that Federal payments be made through electronic means.



Convenience checks may be issued to:

- Vendors who do not accept the card; Before a check is issued, the requiring organization must make every effort to use the Purchase Card. Maximum efforts shall be made to find and use vendors that accept the Purchase Card.
- Volunteers for reimbursement of expenses;
- When responding to emergency incidents where the card is not accepted, e.g., fire and rescue;
- Crew chiefs to pay for meals and lodging for their crew when responding to an emergency.

5.18.4– Convenience Check Restrictions

The following are the maximum amounts checks may be issued for without a written waiver:

- Supplies - \$3,000; Services - \$2,500; Construction - \$2,000;
- Emergency incidents to \$10,000, within the limits of contracting officer authority;
- Alaska fire crew chiefs to purchase lodging for themselves and their crew - \$10,000.

Only as a last option with merchants that do not accept the charge card, and in accordance with DOI policy, may a convenience check be used for purchase of telephone services, or fuel or oil for vehicles. Convenience checks shall not be used by individuals to write checks to themselves, or to any other individual or vendor for any of the following:

- vendors who accept the purchase card,
- cash advance or re-imbursement purposes;
- salary payment or cash awards, or any transaction required to be processed through the payroll system;
- employee reimbursements;
- travel-related tickets or expenditures, including meals, lodging and rental or lease of vehicles;
- advance payments to vendors;
- hazardous materials;
- honorarium fee to a non-U.S. citizen or permanent resident alien not authorized to receive this payment in accordance with the terms and conditions of their visa;
- On-the-Spot awards; or incentive awards to contractors or contract employees.

5.18.5– Oversight Review of Convenience Checks

Agency organization program coordinators shall conduct reviews of all convenience check transactions utilizing the MasterCard's data mining tool. The automated rules based data mining system provides electronic monitoring, email notification, online review and documentation of questionable convenience check transactions. A/OPCs should monitor and review reports and match questionable transactions to authorization documentation.

A/OPCs must monitor the number of checks issued to merchants on a fiscal year basis to identify merchants with significant convenience check transactions and make referral to JP Morgan for possible charge card acceptance. A/OPCs must continuously monitor convenience checks using the following statistical reports:

- Total number of individuals authorized to write convenience checks;



- Total number of convenience checks written;
- Number of checks written over the micro-purchase threshold;
- Number of checks written under the micro-purchase threshold;
- Number of checks written to the same merchant;
- Ratio of check writers to approving officials;
- Number of cash advances or convenience checks written to “Cash”; and
- Number of checks written for foreign invitational travel and guest speakers.

5.19 – Collecting IRS 1099 MISC Data

Information for reporting income to the Internal Revenue Service (IRS) must be obtained prior to a convenience check being issued for the appropriate Budget Object Codes regardless of the amount. To facilitate the collection of this information, complete the IRS Form W9 <http://www.irs.gov/pub/irs-pdf/fw9.pdf> by filling in all the information as soon as the check is written regardless of the amount. This information must be entered into the Financial Business Management System, timely.

5.20 – Reporting Lost or Stolen Checks

The check writer shall report lost or stolen checks promptly to the JP Morgan customer service office at 888-297-0781, the approving official and the A/OPC. Replacement checks with a new account number will be issued. The check writer may be held accountable for failure to report the lost or stolen checks. The same Federal law that protects personal credit also applies to the Government charge card. If unauthorized use of a lost or stolen check occurs, the liability of the Government will not exceed the lesser of \$50 or the amount of related transactions. There is no fee for reporting lost or stolen convenience checks or for requesting replacement convenience checks.

5.21 – Reduction in the Use of Convenience Checks

The Office of Federal Financial Management (OFFM) within the Office of Management and Budget (OMB), and GSA’s Office of Charge Card Management (OCCM) is requiring customer agencies to reduce the use of convenience checks by 5% for FY10 and an additional 5% per year for each subsequent year through FY2015. This reduction is in terms of both the number and total dollar amount of checks written. PAM office will be monitoring the progress of this initiative.

END OF SECTION 5



SECTION 6 PURCHASE FLEET

6.0 – Fleet

Fleet business line transactions are billed centrally to be paid by the Government. The fleet business line is a subset of the purchase business line. Transactions under the fleet business line must comply with all applicable regulations, including the Federal Acquisition Regulation (FAR) and the Federal Property Administrative Services Act of 1949, as amended. Individuals using the fleet card are responsible for observing the “prudent person” rule; that is, they are expected to use the card practically and sensibly and to exercise good judgment in its use at all times.

The integrated fleet charge card is a Government charge card for use by Department of the Interior employees, seasonal employees, volunteers and other authorized personnel for use in the refueling, maintenance and upkeep of the vehicle the card is specifically assigned. Each DOI Fleet Card is embossed with the vehicle license plate number assigned for that specific vehicle.

In accordance with FAR Subpart 13.301 entitled ‘Government-wide commercial purchase card’ DOI’s purchase fleet card is authorized for use in making and/or paying for purchases of supplies, or services, for DOI-owned or commercially leased vehicles only. The DOI fleet cards must be used for all purchases at or below the micro-purchase threshold for fuel, maintenance, repairs, and vehicle supplies for DOI-owned or commercially leased motor vehicles where on-site repair by DOI staff is not available. DOI fleet cards shall be assigned to the corresponding DOI-owned or commercially leased vehicles or miscellaneous equipment, not individuals.

In accordance with FAR Part 22, purchase of equipment or services sold or traded in substantial quantities to the general public in the normal course of business operations are exempted from Service Contract Act applications for maintenance, calibration, and repair of certain equipment. Services provided at prices which are, or are based on, established catalog or market prices for the maintenance, calibration, or repair of equipment are also exempted. Additionally, services offered and sold regularly to non-Governmental customers, and are provided to the general public in substantial quantities in the course of normal business operations are exempted. In accordance with FAR 22.1003-4(d)(1)(i), automobile or other vehicle (e.g., aircraft) maintenance services (other than contracts or subcontracts to operate a Government motor pool or similar facility) are exempted.

The integrated fleet charge card can be used for DOI vehicles, equipment, boats, owned or commercially leased by DOI Bureau/Offices. However, vehicles in the GSA Interagency Fleet Management Information System (FMIS) are not covered; the GSA –issued fleet charge card should be used for these vehicles. Tribal GSA Interagency Fleet vehicles and tribal vehicles on a PL 638 contract, grant, and/or vehicles donated to tribes are not authorized use of the fleet charge card.

6.1 – Eligibility

Applicants for a fleet charge card are required to complete training officially approved by DOI before a charge card application will be approved. Cardholders must also complete annual refresher training. The mandatory training is available on the DOI Learn.



6.2 – Fleet A/OPC or Fleet Manager

The Fleet A/OPC or Fleet Manager is responsible for applying for the card, card distribution, record maintenance in PaymentNet, and ensure that the charge card statements are reconciled, reviewed and approve per DOI policy. Fleet managers are not required to use the optional purchase log prior to uploading receipt documentation during review and approve process.

6.3 – Designated Cardholder & Approving Officer

For the purposes of the fleet business line, the individual who reconciles the account and prepares the certification or signs the statements will be referred to as the “cardholder”. The Fleet A/OPC or Fleet Manager may also be the “designated cardholder”. The supervisor of the fleet manager will be designated as the “approving official” with responsibility to approve the statements/certification. An individual designated as acting supervisor, or alternate Approving Official, can approve on behalf of the supervisor while the supervisor is on leave or travel to ensure that fleet charge card statements are approved in a timely manner. The alternate approving official serves as the approving official if the appointed approving official is unable to perform their assigned duties due to an extended absence. The acting supervisor/alternate AO must have completed the Approving Official training and have their own appointment letter.

6.4 – Account Holder/Account Name

In setting up vehicle accounts, vehicle account names will be the vehicle license number (typically “I” followed by numbers). A corporate fleet purchase card must be used when setting up miscellaneous equipment accounts, refer to the bureau policy for naming convention. No two accounts may have the same account name.

When a charge card is assigned to a vehicle, major piece of equipment, or boat, the license plate or property number will be embossed on the charge card and is to be used only for that assigned vehicle, equipment, or boat.

Corporate fleet purchase cards may be used to obtain fuel, lubrications, and other supplies for individual items of small motorized equipment, e.g., lawn mowers, chain saws, etc.. In all instances, bureau procedures must be established to ensure controlled use of the corporate fleet card.

6.5 – Authorized Card Use

In accordance with FAR Subpart 13.301 entitled ‘Government-wide commercial purchase card’ DOI’s purchase fleet card is authorized for use in making and/or paying for purchases of supplies, or services, for DOI-owned or commercial leased vehicles only. The DOI fleet cards must be used for all purchases at or below the micro-purchase threshold for fuel, maintenance, repairs, and vehicle supplies for DOI-owned or commercially leased motor vehicles where on-site repair by DOI staff is not available. DOI fleet cards shall be assigned to the corresponding DOI-owned or commercially leased vehicles or miscellaneous equipment, and generally not to individuals.

In accordance with FAR Part 22, purchase of equipment or services sold or traded in substantial quantities to the general public in the normal course of business operations are exempted from Service Contract Act applications for



maintenance, calibration, and repair of certain equipment. Services provided at prices which are, or are based on, established catalog or market prices for the maintenance, calibration, or repair of equipment are also exempted. Additionally, services offered and sold regularly to non-Governmental customers, and are provided to the general public in substantial quantities in the course of normal business operations are exempted. In accordance with FAR 22.1003-4(d)(1)(i), automobile or other vehicle (e.g., aircraft) maintenance services (other than contracts or subcontracts to operate a Government motor pool or similar facility) are exempted.

Fleet charge card may be used when purchasing the following items for vehicles, equipment, boats and miscellaneous equipment, either owned or commercially leased by DOI:

- Fuel – Self Service or by attendant (ONLY Unleaded Regular (86 – 87 octane), Flex Fuel (E85), code “P”, Compressed Natural Gas (CNG), and code “T”);
- Oil – 0-50 weight;
- Lubricants – Anti-freeze, transmission, brake, etc.;
- Supplies/parts – Wiper Blades, oil filter, spark plug, etc.; and
- Service, maintenance and repair – car washes, oil change, tune-up, flat tire, etc.

The fleet business line is not intended for purchase of major/annual maintenance, repair of vehicles/equipment, or supplies that will exceed the account’s single purchase limit (SPL) or micro-purchase threshold. For these types of purchases, a purchase request must be initiated.

Components for special vehicles (fire extinguishers, safety accessories, tinting, etc.) must only be bought for the associated vehicle. Large purchases of accessory items for more than the intended vehicle/equipment must be purchased using a requisition.

6.6 – Environmentally Preferable Products

Use environmentally preferable and re-refined oil products whenever practical. The Resource Conservation and Recovery Act requires Federal agencies to acquire products composed of the highest percentage of recovered materials practical, unless the products are not reasonably available within a certain period of time, the products fail to meet applicable performance standards, or the products are available only at a non-competitive price.

Several sources of supply are available for re-refined engine lubricating oil and other environmentally preferable vehicular products. The Defense Logistics Agency – Defense Supply Center Richmond (DLA-DSCR) sells several grades of commercial and heavy-duty refined oil that have been tested and meet the American Petroleum Institute’s performance classifications and viscosity grades. Telephone orders are accepted at 1-877-352-2255. For more information, please refer to <http://www.dscr.dla.mil/userweb/dscrlid/Re-refined/RR.htm>.

Alternative fuel vehicles or those which have the capability to operate using alternative fuels, are required to use the alternative fuel when available. Measures must be taken by the vehicle custodial office to locate and fuel AFV with the appropriate alternative fuel. Alternative fueling locations can be found on the Department of Energy alternative fuel locator site: <http://www.afdc.energy.gov/locator/stations>



6.7 – Prohibited Uses

The DOI integrated fleet charge card will be used to purchase items authorized by DOI within the guidelines of the ICCP. Under no circumstances is the card to be used for personal purchases. Government employees hold a public trust and their conduct must meet the highest ethical standards. An employee has a duty to protect and conserve government property and will not use the DOI Fleet Card, or allow its use, for other than purposes authorized under this policy.

The card must not be used for:

- Fuel, oil and supplies/parts for privately owned vehicles; or
- Services and repair for privately owned vehicles.
- Please refer to individual bureau policy for further fleet card use restrictions

The DOI integrated fleet charge card will be used to purchase fuel, repairs, or maintenance services on DOI-owned or commercially leased vehicles unless the vendor does not accept the government fleet card as a method of payment or the transaction amount exceeds the fleet card's purchasing limits. Under no circumstances is the card to be used for personal purchases or for GSA-leased vehicles. If the purchase exceeds the micro-purchase limit, a purchase request will be required. No split purchases are allowed on integrated fleet charge cards. Please see section 5.4 – Split Purchase.

When using the DOI integrated fleet charge card, a vehicle operator will comply with DOI policies and procedures. Operators of a DOI-owned or leased vehicle, both DOI employees and volunteers, will not use the DOI integrated fleet charge card, or allow its use, for purposes other than those authorized under this policy. Any violations of DOI approval requirements, spending limitations, internal controls, or prohibitions are considered misuse.

Misuse of the fleet card may be considered an attempt to commit fraud against the U.S. Government. The fleet card user may be personally liable to the government for the amount of an unauthorized transaction, and may be subject to criminal prosecution. Also, misuse of the fleet card may result in disciplinary action against the employee under applicable current DOI and Government-wide administrative procedures, up to and including removal. Misuse of the DOI integrated fleet charge card perpetuated by volunteer operators may result in their removal from volunteer assignments.

6.8 – Internal Control Procedures

DOI Bureaus and Offices will establish procedures to implement management controls for Fleet card use. Management controls include conducting annual reviews of the integrated charge card fleet program to ensure participants follow DOI policies and procedures. Results of internal reviews will be documented, and corrective actions will be monitored to ensure they are effectively implemented. DOI Bureaus and Offices will ensure adequate internal controls are established and followed. Such internal controls will include the following:

- A clear separation of duties to minimize the risk of fraud and/or loss of property. Assignment of duties such as authorizing, approving and recording transactions; receiving assets; approving fleet statements; verification of available funding; and reviewing or auditing should be assigned to separate individuals to



the greatest extent possible. For clarification, one individual cannot be the cardholder or fleet manager and approving official for the same transaction.

- Ensure fleet cards are secured in a locked cabinet, drawer, or safe (not in the vehicles or with vehicle operators) when not in use, and card numbers will only be available to authorized users;
- Monthly Statement review and approval are performed within timeframes specified in this policy;
- Supporting documentation is maintained (including, but not limited to, receipts, invoices, packing slips, any other information supporting valid government need);
- Items purchased are verified as received;
- Procedures are in place to ensure purchases are reconciled with utilization records to guard against theft or improper use of government property;
- Charges are verified as for official purposes;
- Purchases are reasonably priced; and
- Contractors and temporary employees are not eligible to become A/OPCs.

6.9 – Central Billing of Charges

Transactions on the fleet business line should centrally bill to be paid directly by the Government.

6.10 – Documentation & Record Retention

Generally, fleet receipts must be maintained in accordance with Bureau/GSA instructions. However, documentation shall be kept to a minimum for fleet purchases below and exceeding the micro purchase threshold in accordance with FAR 13.106-1(5) d, and 13.106.2(4). The Department's implementation of cardholder online reconciliation (reviews and approve) authorizes substitution of electronically imaged records for originals, and establishes JP Morgan electronic access system as the electronic repository for purchase business line (includes fleet) transactions.

Authorization to use alternate storage mediums does not alleviate the responsibility to develop, implement, maintain, and monitor financial and administrative systems. In recognition of this responsibility, bureaus and offices have the option of which type of record storage medium (paper vs. electronic) it elects to use for employees who do not have access to a computer.

Data - such as fuel type, gallons, dollar amount - required for the Agency Motor Vehicle Report into the Federal Automotive Statistical Tool (FAST), the Energy Policy Acts of 1992/2005, the Energy Independence and Security Act of 2007, and Executive Orders 13423/13514 must be collected at the fueling point when available.

Information to be provided by the driver at the automated fueling point of sale may be decided by Bureau/Office fleet managers. Data collection needs to satisfy external reporting requirements should be taken into consideration.

END OF SECTION 6



SECTION 7 PURCHASE AVIATION FLEET

7.0 – Aviation Fleet and Pilot Charge Cards

7.1 – Eligibility

Applicants for aviation fleet charge card are required to complete training officially approved by DOI before a charge card application will be approved. Cardholders must also complete annual refresher training. The mandatory training is available on the DOI Learn. The Aviation Fleet Pilot Cards can be used for DOI aircraft owned by the Office of Aviation Services (OAS).

7.2 – Authorized Use

When delegated purchase authority, the cardholder may use the card to charge aircraft equipment, services and repairs, and aviation mission-related items. The DOI Aviation Fleet Card and the DOD Air Card is the only charge card authorized for DOI personnel to procure aviation fuel, fuel related supplies and ground services for DOI owned aircraft.

7.3 – Purchase Aviation Fleet A/OPC or Aviation Fleet Manager

The Aviation Fleet A/OPC (Fleet Activity Specialist) is responsible for card distribution, record maintenance in PaymentNet, establishment of transaction dollar limits for the fleet pilot charge card business line. The pilot (cardholder) is responsible for reviewing and reconciling their statement of account in PaymentNet. The Aviation Fleet A/OPC may also be the “designated cardholder”.

7.4 – Designated Pilot Cardholder & Approving Officer

The Pilot “cardholder” is required to reconcile the charge card account and upload receipt documentation to PaymentNet. The Chief of Technical Services or the Fleet Activity Specialist will be designated as the “approving official” with responsibility to review and approve the on line statement reconciliation in the PaymentNet. This responsibility may not be re-delegated, except for an alternate approving official.

7.5 – Purchase Aviation Pilot Cards

DOI aircraft pilots and personnel with aviation related duties employed by the government but not employed by the Office of Aviation Services may be issued a charge card authorized by OAS in addition to the card authorized by their employing bureau. The OAS card is to be used for aviation items only. Any suspension or cancellation of their employing agency-issued card will result in suspension or cancellation of the OAS card. Official travel expenses should be charged to the card issued by their employing agency. OAS authorized cards are issued under the purchase business line to a specific individual and will be embossed with that same individual’s name, not a vehicle identification number.

Purchase business line transactions are billed centrally to be paid by the Government. Transactions under the purchase business line must comply with all applicable regulations, including the Federal Acquisition Regulation.



Cardholders delegated purchase authority are responsible for observing the “prudent person” rule; that is, they are expected to use the card practically and sensibly and to exercise good judgment in its use at all times.

7.6 – Department of Defense (DOD) Air Card Program

The DOD Air Card is authorized for procuring aviation fuel, supplies and ground services for DOI/OAS owned aircraft from Defense Energy Support Center (DESC) Into-Plane contract sites and non-contract locations. Only military and government civilian personnel are authorized users of the Air Card.

7.6.1 – AOPC Air Card Responsibilities

Purchase Aviation Fleet Card A/OPCs are required to perform the following Air Card A/OPC responsibilities:

- Maintain Air Card accounts and cards.
- Ensure that only authorized personnel with mission requirements are provided Air Cards.
- Review Air Card receipts and ensure that all purchases are appropriate and charges are accurate within 5 days of receipts. Determine if any misuse or abuse has occurred. Provide receipts to Approving Official.
- Ensure Air Card account is in good standing and not delinquent.
- Ensure card users are instructed on the appropriate use of the card. Require all card users complete and sign a receipt for property prior to initial use.

END OF SECTION 7



SECTION 8 PURCHASE UNIFORM

8.0 Purchase Uniform

Due to the special requirements of the uniform program, such as the need to track and control annual uniform allowances, the uniform drawdown card is issued separately from the integrated card. Cardholders are assigned an annual uniform allowance charge limit during the application phase. During the year, this charge limit is drawn down as uniform items are purchased; the charge limit is then refreshed at the beginning of the next fiscal year. The uniform drawdown card is issued in charge limit increments of \$100 with a maximum annual charge limit of \$800. This \$800 limit is the maximum annual uniform allowance that is permitted by law. The supervisor determines the specific authorization amount. The uniform A/OPC, with approval from the supervisor, will process any changes to uniform allowance amount.

8.1 – Eligibility

Designated law enforcement employees and other permanent employees required to wear the agency uniform must have a uniform drawdown card to purchase uniform components.

8.2 – Uniforms for Temporary Employees

The purchase business line may be used to purchase uniform items for temporary employees when there is not enough time to issue them a uniform drawdown card to acquire their uniform, or when the duration of their appointment does not warrant issuing a uniform drawdown card. OMB Circular A-30 (1966) implements the provisions of the Federal Uniform Allowance Act (P.L. 89-554). It also establishes rules for allowances for temporary or substitute employees: "The amount payable to a temporary or substitute employee who is otherwise eligible for a uniform allowance shall be determined by adjusting the standard for an annual allowance to take account of any reduced requirements which result from the limited period and nature of employment".

8.3 – Using the Card

To distinguish it, the uniform drawdown card is red and is embossed with words identifying it as a uniform card. The annual charge limit is indicated in the documentation received with the card. The uniform card must only be used for authorized uniform items from authorized uniform vendors. The card must not be used to purchase items other than authorized uniform components, to purchase uniform items for someone other than the cardholder, or to purchase uniforms for volunteers.

8.4 – Central Billing

All transactions using the Uniform card are centrally billed.

END OF SECTION 8



SECTION 9 METHODS OF PAYMENT

9.0 – Charge Card Tools As Payment Vehicles

In accordance with FAR, Subpart 13.301, the Government-wide commercial purchase card may be used above the micro-purchase threshold, by contracting officers, to place a task or delivery order (if authorized in the basic contract, basic ordering agreements, or blanket purchasing agreements, and Federal Supply Schedules); or make payments, when the contractor agrees to accept payment by the purchase card.

In accordance with FAR, Subpart 32.1108, Payment by Government-wide commercial purchase card authorizes the third party (e.g., financial institution) that issued the purchase card to make immediate payment to the contractor. The Government reimburses the third party at a later date for the third party's payment to the contractor. Written contracts to be paid by purchase card should include the clause at [52.232-36](#), Payment by Third Party. However, payment by a purchase card also may be made under a contract that does not contain the clause to the extent the contractor agrees to accept that method of payment.

9.1 – Using Charge Card Method of Payment

When it is contemplated that the Government commercial purchase card will be used as the method of payment, and the contract or order is above the micro-purchase threshold, contracting officers are required to verify (by looking into the [System for Award Management \(SAM\)](#)) whether the contractor has any delinquent debt subject to collection under the [Treasury Offset Program \(TOP\)](#) at contract award and order placement. The contracting officer shall not authorize the Government commercial purchase card as a method of payment during any period the SAM indicates that the contractor has delinquent debt subject to collection under TOP.

9.1.1 – Virtual Payment Accounts

When implemented, virtual payment cards may be used as a method of payment for contractual instruments containing FAR clause 52.232-36, Payment by Third Party. Upon BPC approval, a virtual payment card account will be created for a specific vendor under the cardholder's profile. The cardholder (contract specialist) is responsible for providing the virtual payment card number to the vendor for payment.

9.1.2 – Single Use Accounts

When implemented, single use accounts is the preferred automated method of payment for contractual instruments containing the FAR clause 52.232-36, Payment by Third Party. Upon FBMS system notification, JP Morgan will create single use accounts for a specific vendor under the cardholder's profile. JP Morgan will provide the single use accounts number to the vendor and to FBMS accounts payable office. The Contracting Officer must use the PaymentNet reporting system.

9.4.4 – Stored Value or Declining Balance Accounts

Stored value card accounts may be created for a specific project or contract under the cardholder's profile. The cardholder provides the card number to the vendor and must use PaymentNet for reconciliation and FBMS for account and account reallocation.



9.3 – Using Corporate Training Card Method of Payment

The SF-82 must be used by training officers (non-warranted personnel) in accordance with the Office of Personnel Management (OPM) Training Policy Handbook and as reflected in the DOI Certificate of Appointment Manual, to procure training via the use of the SF-182 up to the simplified acquisition threshold of \$150,000, under the following conditions to enroll students, obligate funds, and authorize payment for tuition:

- The training cost of a single training event, program, or instructional service does not exceed the simplified acquisition process dollar limit;
- The cost is of a fixed nature, i.e., price per student or price per course, program, or service; and
- The program, course, or instructional service is off-the-shelf and no modification or development resulting in increased cost to the Government is needed to meet the organization's needs.

The SF-182 may also be used for requesting, approving, and certifying payment for attendance at meetings, conferences, seminars, and symposia where the primary purpose is to train an employee to meet a performance improvement related need. This form is not used to purchase general supplies, training equipment, or non-training services.

Corporate training purchase card accounts may be used by training officers as a method of payment up to the simplified acquisition threshold of \$150,000. All payments must be supported by certified SF-82. Cardholders are required to upload certified SF-82 to the servicing bank system during review and approve and reconciliation process. The corporate account may be set up in the name of the organization, with a specific individual designated as responsible for managing and reconciling the account. Corporate account may be used only for payment of SF-82 under certain conditions, as explained in this document.

The purchase of training for any coursework requiring course development or off-the-shelf courses exceeding the simplified acquisition threshold must be acquired by a Contracting Officer with the requisite warrant authority.

9.4 – Emergency Acquisition Flexibilities

Declarations of Emergency Acquisition Flexibilities authorized in Federal Acquisition Regulations FAR Part 18, in support of Federal responses to major disasters and emergency may authorize the Department increasing certain procurement thresholds. Pursuant to the authority delegated to the Senior Procurement Executive, under Part 209, Chapter 4 of the DOI Departmental Manual may authorize increasing the following procurement thresholds for all DOI contracting activities.

- Micro-purchase: \$15,000 in case of any contract awarded and performed, or purchased, inside the United States; \$25,000 for contracts awarded and performed, or purchased, outside the United States;
- Simplified Acquisition: \$250,000 in case of any contract awarded and performed, or purchased, inside the United States; \$1,000,000 for contracts awarded and performed, or purchased, outside the United States.

The Federal Procurement Data System – Next generation's Government-wide \$3,000 procurement transaction reporting threshold remains in force. The increased procurement thresholds are temporary and shall remain in effect until the disaster relief efforts are formally terminated.



9.5 – Purchases Above The Micro-Purchase Threshold

In accordance with FAR, Subpart 13.301, the Government-wide commercial purchase card may be used above the micro-purchase threshold, by contracting officers, to place a task or delivery order (if authorized in the basic contract, basic ordering agreements, or blanket purchasing agreements, and Federal Supply Schedules); or make payments, when the contractor agrees to accept payment by the purchase card. Cardholders with delegated authority to use the purchase card above the micro-purchase threshold shall comply with all requirements of Federal and Departmental acquisition laws, regulations, policies and guidance with respect to any purchase that exceeds the micro-purchase threshold. The cardholder shall adhere to the requirements for competition, public notice, socioeconomic requirements, use of appropriate provisions and clauses, and all other applicable requirements. Contracting Officer's single purchase/payment limit shall be set at their warrant authority.

If a purchase over the micro-purchase threshold is anticipated and the product or service is not being acquired under an existing contract, the cardholder must include all applicable FAR and DIAPR clauses in solicitation/award documents. The purchase may be confirmed and the clauses included in an e-mail. However, do not include the integrated charge card single use account number in the message. Clauses are not required if the purchase is made under an existing contract such as a GSA schedule or BPA in which clauses have been included. Cardholders with delegations in excess of \$3,000 are required to follow all the appropriate competition and documentation requirements as defined in (FAR) 48 CFR Part 13 including notice, competition, and documentation. Delegations shall include the above information and any limitation on the types of procurements a cardholder can make over \$3,000.

In accordance with FAR Subpart 4.6 requires agencies to report all procurement actions that exceed the micro purchase threshold, and all modifications to those transactions, regardless of dollar value to the Federal Procurement Data System Next Generation (FPDSNG). In addition to the actions listed in FAR Subpart 4.6, and in accordance with DIAPR 2013-05, the following actions should not be reported in FPDS:

- Any non-appropriated fund (NAF) or NAF portion of a contract action using a mix of appropriated and non-appropriated funding.
- Lease and supplemental lease agreements for real property.
- Grants and entitlement actions.

9.6 – Simplified Acquisitions

Bureau and office personnel with contracting officer's warrant authority delegated in accordance with the DOI Contracting Officer Certificate of Appointment Program are authorized to use the charge card as a means of making micro-purchases and to pay for purchases of supplies and services above the micro-purchase level up to their warrant limit (as a payment method) for open market purchases and their authorized "established sources" limit (as a payment method) for AbilityOne (formerly JWOD), FPI, GWAC, MAS, GSA Advantage, and Bureau or DOI IDIQ contract orders. Contracting Officer's single purchase/payment limit shall be set at their warrant authority.



9.7 – Utilization of Small Business

FAR Part 13, Simplified Acquisition Procedures, prescribes that acquisition of supplies and services of an anticipated dollar value of \$3,001 through \$150,000 be reserved exclusively for small business concerns. Only when there is no reasonable expectation of obtaining the goods or services from two or more responsible small business concerns that will be competitive in terms of market price, quality, and delivery, may the purchase be made from a large business. Each such purchase will be appropriately documented.

Pursuant to the Office of Federal Procurement Policy Memorandum entitled, “Increasing Opportunities for Small Businesses in Purchase Card Micro-Purchases, dated December 19, 2011, cardholders should consider small businesses, to the maximum extent practicable, when making micro-purchases. Both GSA Advantage and DoD e-Mall electronic shopping sites include capabilities to search for small businesses. In addition, the Federal Strategic Supply Initiative (FSSI) includes many small businesses, such as those for office supplies.

9.8 – Payment By Charge Card

When it is contemplated that the Government commercial purchase card will be used as the method of payment, and the contract or order is above the micro-purchase threshold, contracting officers are required to verify (by looking into the System for Awards Management (SAM)) whether the contractor has any delinquent debt subject to collection under the Treasury Offset Program (TOP) at contract award and order placement. Information on TOP is available at <http://fms.treas.gov/debt/index.html>.

The contracting officer shall not authorize the Government commercial purchase card as a method of payment during any period the SAM indicates that the contractor has delinquent debt subject to collection under TOP.

9.9 – Grants and Financial Assistance Payments

GSA SmartPay Grants cards and JP Morgan’s stored valued cards and other appropriate payment tools may be used to process Grants and Financial Assistance payments.

9.10 – Miscellaneous Obligation Payments

JP Morgan’s stored valued cards and other appropriate payment tools may be used to process miscellaneous obligation payments.

END OF SECTION 9



SECTION 10 U.S. TREASURY DEBIT CARD PROGRAM

10.0 – U.S. Treasury (FMS) Debit Card Program

The U.S. Department of the Treasury, Financial Management Service (FMS) is the primary disburser of payments to individuals and businesses on behalf of Federal agencies, and is responsible for assisting Federal agencies in improving cash management processes. As part of its efforts to improve Government cash management processes and reduce the number of non-electronic payments disbursed Government-wide, FMS has implemented the U.S. Debit Card (USDC) Program for use by Federal agencies.

The prepaid Debit Card Program is administered by the FMS, with the assistance of FMS's financial agent, JPMorgan Chase Bank (JPMC), and provides Federal agencies with the ability to deliver Federal payments through debit cards, as an alternative to checks, drafts, cash, and other non-electronic mechanisms. Examples of the types of Federal payments that can be delivered via a debit card include benefit, payroll, stipend, employee awards, survey incentives, per diem and payments to foreign visitors.

In 2011, the Department of the Interior established a memorandum of understanding between the Department of the Treasury, Financial Management Service in connection with DOI's participation in the U.S. Debit Card program. The memorandum of understanding describes terms and cost of the Department's prepaid Debit Card Program and respective responsibilities thereto and FMS operation of the program.

10.1 – Memorandum of Understanding

The purpose of this Memorandum of Understanding is to establish the roles, responsibilities, and mutual understandings of the FMS, and DOI in connection with the U.S. Debit Card program. Bureaus/Offices are required to coordinate with the PAM Office Program Manager prior to contacting the Department of Treasury and to obtain a copy of the Memorandum of Understanding.

10.2 – Fees

Financial Management Service costs/fees are described on the memorandum of understanding Exhibit A, in one of the following ways: (1) the Agency pays FMS's financial agent, JPMC, directly upon receipt of an invoice; (2) FMS pays the financial agent, JPMC and Agency reimburses FMS; and/or (3) the Agency may decide that cardholders will pay certain fees directly to JPMC. In those cases where the Agency is required to pay fees directly to FMS's financial agent, if the Agency fails to pay such fees within thirty (30) days of receipt of an invoice, FMS may, in its discretion, pay its financial agent the amount owed by the Agency and transfer equivalent funds from the Agency via the Intra-Governmental Payment and Collection (IPAC) system to reimburse FMS. In such event, FMS will provide the Agency with detailed information supporting the IPAC transfer.

END OF SECTION 10



SECTION 11 PROGRAM OVERSIGHT & SURVEILLANCE

11.0 – Program Oversight & Surveillance

On October 5, 2012, the President signed into law the [Government Charge Card Abuse Prevention Act of 2012](#) (Pub.L.112-194), which reinforces OMB Circular No. A-123, Appendix B, revised January 15, 2009 entitled “*Improving the Management of Government Charge Card Programs*”. The Act requires all Federal executive agencies to implement internal controls to prevent waste, fraud, and abuse of purchase cards, travel cards, fleet cards, integrated cards, and centrally billed accounts, while enhancing program integrity through increased opportunities for community collaboration and transparency.

11.1. – Management Controls

Charge card data and statistics are important tools for managing the program and monitoring performance. PaymentNet provides the capability to electronically monitor and review cardholder transaction details on a daily basis. A/OPCs shall use PaymentNet to ensure and to maintain the highest level of oversight visibility over the Department’s charge card program.

11.2 – Risk Management

The Office of Acquisition and Property Management has established the integrated charge card partnership to provide program expertise and support to help minimize risk of the charge card program. The DOI Charge Card Policy Manager shall serve as chairperson of the risk management team. The team shall be comprised of an agency organization program coordinator representative from each bureau. The risk management team shall meet at least quarterly to discuss recommended improvements to the program.

Agency organization program coordinators shall take actions to reduce the risk of card fraud, waste, abuse, and misuse. The agency organization program coordinator can minimize risk, by ensuring that Federal, Departmental and Bureau/Office, laws, regulations, and procedures are followed, and that program effectiveness is monitored on a regular basis. Appendix F identifies typical charge card factors that may result in elevated risk, along with recommended risk reduction methods. Agency organization program coordinators must regularly assess their card program to identify additional areas of risk and develop adequate risk reduction methods.

11.3 – Reviews, Surveillance & Reporting

JP Morgan Chase will provide a variety of reports via PaymentNet to assist agency organization program coordinators with managing their program. Appendix G provides a list of standard card management reports available in the servicing bank’s system. A/OPCs shall continuously monitor their programs using the following metrics:

Figure 11-1 Charge Card Statistical Reporting Metrics

<i>Charge Card Statistical Reporting Metrics</i>
Number of cards;
Number of cards that are for emergency use only;



<i>Charge Card Statistical Reporting Metrics</i>
Number of active accounts;
Number of accounts with convenience checks;
Percentage of employees that are cardholders;
Net number of new accounts (new less cancelled);
Charge card dollars spent; total refunds earned; percentage of potential refunds earned;
Number of cases reported to the agency Office of Inspector General for possible card misuse and/or abuse;
Number of administrative and/or disciplinary actions taken for card misuse;
Number of approving officials;
Ratio of approving officials to purchase cardholders (span of control);
Average number of monthly purchase card transactions reviewed per approving official;
Number of cardholders with authority up to the micro-purchase threshold;
Number of cardholders with authority over the micro-purchase threshold;
Number and dollar amount of purchases up to the micro-purchase threshold;
Number and dollar amount of purchases over the micro-purchase threshold;
Number of inactive accounts;
Number of inactive accounts cancelled;
Number of inactive accounts requiring a justification to maintain;

Figure 11- 2 Convenience Checks Statistical Reporting Metrics

<i>Convenience Checks Statistical Reporting Metrics</i>
Total number of individuals authorized to write convenience checks;
Total number of convenience checks written;
Number of checks written over the micro-purchase threshold;
Number of checks written under the micro-purchase threshold;
Number of checks written to the same merchant;
Ratio of check writers to approving officials;

11.4 – Data Mining

Generally, data mining (sometimes called data or knowledge discovery) is the process of analyzing data from different perspectives, and categorizing, and summarizing the relationships into useful management informational reports and graphical displays. When available, A/OPCs shall use MasterCard Expert Monitoring System (EMS) automated data mining tool to analyze and electronically monitor daily transactional data to present potentially relevant results to decision makers. The automated data mining tool serves an essential internal control program function. It improves surveillance by highlighting selected transactions for A/OPC review. The A/OPC shall use the data mining tool for case management and workflow steps to document the alert or to report suspected potentially fraudulent transactions to the DOI Office of Inspector General.

Figure 11-3 Automated Review, Surveillance, Reporting

<i>Automated Review Methods for Oversight and Surveillance</i>			
Method	Description	Advantage	Frequency
Data Mining	Identifies suspicious transactions or patterns in the data, based on predefined rules.	Serves as a good compliance technique by directly targeting suspicious transactions. Screens and identify suspicious transactions	Daily



<i>Automated Review Methods for Oversight and Surveillance</i>			
Method	Description	Advantage	Frequency
		faster than a manual review of the data.	
Sampling	Statistical sampling involves selecting a random sample from the transactions occurring during the review period and analyzing those transactions for compliance.	Can be applied to individual cardholders, AOs, or to the entire organization. Minimizes possible bias in the sample selection process.	Quarterly
Agency organization program coordinators must continuously monitor their programs using automated data mining and statistical sampling reports in the servicing bank's system.			

The data mining tool monitors, on a real-time basis, questionable or unauthorized merchant category codes for potential fraud, waste, abuse and misuse, split disbursements, and charge card policy compliance. The A/OPC shall use the servicing bank's online case management tool and workflow steps to document the alert or to report the action to the OIG.

11.5 – Fraud Waste, Abuse, Misuse

Employees are required to report all instances of suspected fraud, waste or abuse. Intentional or unintentional violations of the policies and procedures for integrated charge card or convenience check usage is considered misuse. Fraud is a criminal form of misuse involving willful deceit, misrepresentation of facts, or other practice designed to harm or deprive another of his or her rights, usually involving deception for personal gain. The distinction between misuse and fraud is dependent upon the facts of each case.

All participants in the ICCP are responsible for preventing fraud and the conditions that lead to fraud. Fraud often occurs when two or more individuals collude to circumvent the management controls in place to prevent fraudulent practices. Collusion may occur between merchants and cardholders, cardholders and approving officials, or between ICCP participants and other employees.

11.6 – Indicators of Fraud and Misuse

Suspected charge card misuse and fraud often have the same or similar indicators. A determination of whether the misuse is fraudulent may only be possible after a thorough investigation. Therefore, all suspected cases must be reported. Agency organization program coordinators shall review bank charge card data and reports on a regular basis to identify and investigate possible instances of fraud, waste, abuse, or misuse. The following are potential indicators of fraud:

- Repetitive purchases from the same merchant in situations where the cardholder should be rotating purchases among more than one merchant;
- Missing purchase documentation;
- Cardholders or approving officials who allow others to use the card;
- Failure to safeguard purchase cards, convenience checks, or account information;
- Lack of oversight and surveillance;
- Unauthorized purchases;
- Payments made for items that were never received;
- Split purchases made to avoid spending limits;



- Failure to account for nonexpendable or sensitive items per property management procedures;
- Approval of cardholder purchases by someone other than the approving official;
- Cardholders returning items to a merchant for a store credit instead of a credit to their purchase card account;
- Attempted purchases that exceed the cardholder's limits;
- Purchases that have been declined by the card system; and
- Cash advances or convenience checks written to "Cash";

11.7 – Reporting Suspected Fraud

Employees are responsible for reporting cases of suspected fraud or misuse of the charge card or convenience checks. Employees who suspect a cardholder of misuse, fraud, or abuse must immediately notify the approving official and the agency organization program coordinator. A/OPCs, upon learning of suspected or potential fraud, shall notify the Office of Inspector General, the BPC's (purchase/fleet business line only) JP Morgan Chase, and DOI/Bureau/Office manager supervisory chain. Immediate actions shall be taken to ensure that all instances of suspected fraud or misuse are promptly reported and investigated. A/OPCs shall report suspected fraud, abuse, or misuse cases to the Charge Card Program Manager to ensure accurate reporting.

11.8 – Potential Consequences for Card Misuse and Abuse

Violations of charge card laws, regulations, policies and guidance may result in immediate cancellation of the card and disciplinary action against the cardholder, approving official, or both. The range of disciplinary actions, which may vary with the severity of the infraction, will be applied in accordance with DOI employee human resources, legal, and management guidelines.

Intentional misuse of the card will be considered an attempt to commit fraud against the U.S. Government, and in addition to the disciplinary actions, the individual may be subject to a fine of not more than \$10,000, or imprisonment for not more than 5 years, or both under 18 U.S.C. 287. Cardholders who intentionally misuse their cards may be held personally liable to the Government for the amount of any unauthorized transactions, plus interest and debt collection fees. Approving Officials or others who collude with cardholders to misuse the card or to commit fraud, or who use their position or authority to cause misuse of the card, may also be subject to the disciplinary and criminal actions above.

Figure 11-4 below lists potential consequences and penalties for misuse or abuse of the purchase card. Agency organization program coordinators shall use the table as a guide for disciplinary measures, coordinating with the Office of Inspector General, Office of General Counsel, Office of Human Resources Management, and the employee's management chain as appropriate.

Figure 11-4 Consequences for Charge Card Misuse and Abuse

<i>Consequences for Charge Card Misuse and Abuse</i>	
Infraction	Potential Consequences for Infraction
Fraud, Waste, and Abuse Intentional use of the purchase card for unauthorized purchases or the approval of unauthorized transactions	<ul style="list-style-type: none">• Card cancellation• Termination of employment• Fines and/or imprisonment• Salary offset to collect full cost of unauthorized



<i>Consequences for Charge Card Misuse and Abuse</i>	
Infraction	Potential Consequences for Infraction
	purchases including administrative expenses
False Statements False statements on purchase card records by cardholders and AO's	<ul style="list-style-type: none">• Card cancellation• Reprimand
Personal Misuse Unintentional use of the purchase card for unauthorized purchases	<ul style="list-style-type: none">• Counseling• Cardholder payment to DOC required to cover full cost of unauthorized purchases and possible administrative expenses
Card Transfers Transfer of purchase card to any person other than the cardholder	<ul style="list-style-type: none">• Counseling• Card suspension• Card cancellation
Failure to Maintain Card Security Failure to safeguard physical location of the card and card account information	<ul style="list-style-type: none">• Counseling• Card suspension• Card cancellation

11.9 – Managing Improper Transactions

11.9.1 – Abuse, Misuse, and/or Waste

A/OPCs are required to report suspected misuse or abuse to the cardholder's supervisor (approving official). Once the supervisor is notified, he/she is also responsible for taking immediate action to gather facts and discuss the incident with the employee. If the supervisor is satisfied that the incident was unintentional and/or did not result in loss to the Government, they are required to counsel the employee. If the supervisor determines the incident was intention, then the A/OPC may temporarily limit, suspend, or cancel charge card privileges.

The A/OPC must monitor the situation and be available to the supervisor for consultation. A/OPCs may recommend suspending accounts under investigation, when appropriate, after consulting with the OIG. A/OPCs must also document all cases of card misuse in the EMS data mining case management tool.

11.9.2 – Suspected Fraud

The A/OPC shall report suspected fraud to the Office of Inspector General and the employee's supervisor. In cases where fraudulent transactions have occurred, the Offices of Inspector General, and the Offices of Human Resources are expected to collaborate as required by the [Government Charge Card Abuse and Prevention Act of 2012](#).

11.10 – Fraud Prevention

11.10.1 – External Fraud Monitoring

The GSA SmartPay® 2 Master Contract and DOI Tailored Task Order provide external fraud monitoring and detection through the JP Morgan Commercial Fraud Detection and Prevention Services. External fraud monitoring includes reviewing individual transactions as requests for charge card authorizations are received. Utilization of data mining software programs to aid in detecting and minimizing fraud by monitoring high risk merchant category codes and geographical areas. Analytical review to confirmed fraud cases and implements new strategies or



enhance existing strategies. Transactions that score high on the risk scale will prompt an automatic block on the integrated card account. Lower scores may not prompt automatic account blocking but may require a Fraud Analyst to contact the cardholder.

Cardholder Notification: Within 24 hours after transaction(s) populate into a monitoring queue, a Fraud Analyst will attempt to contact the cardholder via phone or email to determine if the transaction is legitimate. If fraudulent, the account is permanently blocked and arrangements are made to supply a replacement account number. The A/OPC is also notified. If the cardholder does not answer, the A/OPC is notified and a follow-up call to the cardholder is scheduled for two business days later.

Compromised Accounts: Master Card notifies JP Morgan when multiple accounts are suspected of being compromised resulting from breaches, data losses, theft of account numbers, etc. In some cases, JP Morgan may have suspected fraudulent activity and the actions described above may already be in-process. If twenty five or more accounts are affected, JP Morgan Program Coordinators will notify A/OPCs to coordinate cardholder notification. If twenty four or less accounts are affected, cardholders will be notified first. A/OPCs will be notified next. JP Morgan will notify GSA of suspected large scale breaches in accordance with the GSA SmartPay master contract.

11.10.2 – Internal Fraud Monitoring

PAM's implementation of cardholder and Approving Official online review and approve with A/OPC oversight strengthens internal controls and reduces risk of fraud, waste, abuse, and misuse of the charge card. PaymentNet electronic access system provides the capability to schedule risk management reports to run automatically and to send email alerts to cardholders and A/OPCs and Approving Officials. PAM will implement automatic email alerts for decline transactions, inactive accounts, and potential delinquent accounts to cardholders. A/OPCs have the option of turning on email alerts for transactions exceeding the single purchase limit, potential split purchases, and account approaching credit limit or scheduling these reports to run biweekly.

PAM will implement MasterCard's Expert Monitoring System (data mining tool) to ensure and to maintain the highest level of oversight visibility over the Department's integrated charge card program. The automated data mining tool serves an essential internal control program function that improves surveillance by highlighting selected transactions for review. A/OPCs are required to use the Case Management tool to review and document suspected abuse, misuse, or suspected fraudulent use of the charge card.

END OF SECTION 11



SECTION 12 PROGRAM REVIEW

12.0 – Program Review & Reporting

12.1 – Annual & Quarterly Program Review & Report

Bureau Lead A/OPCs shall review the charge card program under their purview following the close of each fiscal year to ensure that card holders and approving officials are adhering to applicable requirements. A/OPCs are encouraged to perform quarterly program reviews and publish summary results in the annual program report. The primary objectives of the quarterly review are to assess:

- Compliance with laws, regulations and the Department's purchase card policy;
- Efficiency of operations; and
- Adequacy of internal or management controls to help prevent fraud, waste and abuse, and/or misuse.

Bureau Lead A/OPCs should follow procedures outlined in this policy manual to conduct their reviews. Although onsite visits are encouraged, the A/OPC shall use the PaymentNet reports and EMS data mining reports to perform their oversight management review.

12.2 – Conducting Quarterly and Annual Reviews

12.2.1 – Annual Program Review Schedule

All quarterly reviews should be summarized and published in the annual report. The A/OPC should document their findings in a written report for inclusion in the Department's annual program report executive summary. The review must be performed on the previous fiscal year charge card activity. Quarterly reviews at a minimum should consist of random sampling of purchase, travel and fleet transactions to ensure cardholder and approving official compliance with Federal, DOI and Bureau/Office policy and procedures.

Annual Program Review Schedule		
Description	Due Date	Recipient
Bureau Annual Report	December 30 th	DOI Charge Card Policy Manager
DOI Annual Program Report	January 31 st	Senior Procurement Executive

The Charge Card Management Review Report (Appendix G) report template is to be used for reviews in order to determine effectiveness of the program, ensure compliance and adequate oversight and detect cardholder misuse and fraud.

12.2.2 – Entrance/Exit Conference Memorandum

Entrance Conference Memorandum will be used to explain the audit objectives and methods used for the review to the program managers. Exit Conference Memorandum will also be used to discuss review findings (strengths, weaknesses and recommendations for improvement).



12.2.3 – Charge Card Annual Review Checklist

A Charge Card Annual Review Checklist will be used in the initial review of Cardholder's records to determine compliance with procurement buying policies, regulations and procedures. The A/OPC must complete one checklist for each individual cardholder reviewed in the random sample selected.

12.2.4 – Charge Card Review Summary of Findings

The charge card annual review summary of findings can be used to summarize findings, including areas of non-compliance and recommendations for improvements, identified in the checklists, cardholder records or interviews with purchase card participants. Best practices and recommendations for improving the charge card program are to be addressed at the end of the Summary of Findings Memorandum.

12.2.5 – Certification of Completion of Charge Card Annual Review

The certification of completion of charge card annual review consists of a certification that must be dated and signed by the appropriate bureau official upon completion of the annual review. The annual review package, including the certification of completion, must be retained by the bureau for a minimum of 3 years.

12.2.6 – Steps in Review Process

The following steps are provided for your guidance in conducting the annual review:

- **Statistical Sampling:** A\OPCs are encouraged to use PaymentNet reports or EMS tool to generate the random sample of cardholder's transactions. The recommended error rate is 5% and the confidence level is 95%.
- **Data Mining:** Using the EMS tool, screen and identify suspicious transactions, test for compliance with established purchase card policies, procedures and internal controls is mandatory.
- **Entrance Conference:** A\OPC should hold interviews with management to discuss the review objectives and methods to be used.
- **Interviews:** Interviews should be held with the approving official and cardholder to discuss how the charge card program is working.
- **Complete the Charge Card Annual Review Checklist:** The Charge Card Annual Review Checklist documents the initial review of the approving official's cardholder transactions and records to determine compliance with Federal regulations, DOI Bureau/Office policy and procedures.
- **Exit Conference:** Hold meeting with management to discuss review findings and address strengths, weaknesses and recommendations for improvement.
- **Complete Summary of Findings:** After completing all Review Checklists and interviews, the A/OPC must complete the report Summary of Findings. The memorandum documents strengths, weaknesses and areas of non-compliance identified in the checklists. The Summary of Findings must summarize any areas of concern or problems found during any aspect of the review and discuss what steps shall be taken to correct them. Specific examples should be cited whenever possible.



- The A/OPC may also use the Summary of Findings to discuss issues not addressed on the checklists, interviews or review of records, such as whether the card provider and the merchants are providing acceptable customer service. Best practices are to be documented on the last page of the Summary of Findings. Best practices or recommendations provided may be used to improve the charge card program.
- Complete Certification of Completion: The Certification of Completion is dated and signed by the appropriate Bureau Official upon completion of the annual review.

12.3 – Office of Acquisition and Property Management Reviews

The Office of Acquisition Property Management may perform additional reviews (including on-site reviews), as necessary.

12.4 – Annual Charge Card Report Program

The DOI Integrated Charge Card Program Manager is required to review the Department's Charge Card Program annually following the close of each fiscal year and prepare a State of the Charge Card Program report. Specific suggestions for the report include:

- Review, analysis, and recommendations for implementing innovative charge card management solutions and workflow processes to:
 - improve management internal control over the purchase card program;
 - strengthen oversight;
 - streamline purchase card management processes;
 - reduce operating costs; and
 - reduce improper and abusive purchase card activity;
 - go green (paperless) eliminate or reduce paper documentation;
- Review and analysis of the DOI's usage of PaymentNet, EMS, and JP Morgan Customer Service as prescribed in the GSA SmartPay Master Contract provisions.
- Review of A/OPC access to PaymentNet's functionality, reports, and hierarchy management role.
- Review and analysis of current Government Accountability Office purchase card audit reports to access the Department's vulnerability to report findings.
- Review and analysis of pending legislation that impacts the purchase card program.
- Review and analysis of refunds earned including refund lost opportunities using JP Morgan's accounts payable spend analysis report recommendations.

END OF SECTION 12



Appendix A. Acronyms & Definitions

Abuse: Use of a Government charge card or convenience check to buy authorized items, but at terms (e.g. price, quantity) that are excessive, or are for a questionable Government need or both.

Accountable Property: Accountable property includes a property purchased, capitalized, non-capitalized, leased, contractor-held property, and stores property, or otherwise obtained having a unit acquisition cost of \$5,000 or more (land, regardless of cost); and items that are sensitive, including to but not limited to pilferable items.

Agency: The Department of the Interior, which may be further broken down to include Bureaus, offices, and programs.

Agency/Organization Program Coordinator (A/OPC): The primary liaison with J.P. Morgan and the Office of Acquisition and Property Management (PAM), Office of Financial Management (PFM), and the CCSC on technical and policy issues.

Anti-Deficiency Act: Federal statute that prohibits the purchase of goods or services for which funds are unavailable or have not been appropriated

Approving Official: Individual responsible for oversight and monitoring of designated cardholders' compliance with established rules and procedures. (Usually the cardholder's supervisor)

ATM Privileges: Privileges that may be authorized on a charge card account to allow a cardholder to obtain limited cash advances for official travel expenses via ATM. Can search on a listing of ATM locations at www.chase.com

Authorization Control Set: A table of authorization controls or an option set that includes spending limits and authorized merchant category codes.

Billing Date: Can be used interchangeably with "Closing Date". The last date that charges can appear on a statement of account. For DOI, that is the 19th of the month.

Business Line: The charge card program is comprised of three "business lines": travel, purchase, and fleet. Each of these is made up of a group of charge card activities with common functional characteristics, e.g., supports travel, purchase or fleet. These functions are integrated into one card and one administrative set-up. Also, see "Integrated".

Cardholder: Any individual issued a card. Cardholders include users of both charge cards and convenience checks. Specific to fleet: any individual, vehicle/equipment, or agency issued a charge card.

Cardholder Agreement: The J.P. Morgan Chase Bank, N.A. GSA SmartPay 2 Integrated Cardholder Agreement. The Agreement formally documents and assigns the banks and cardholders' responsibilities regarding use of the charge card. This program guideline supplements that Agreement with DOI policy and procedures. By signing the application form and activating, signing, or using the card and/or account, a cardholder agrees to be bound by the terms and conditions of the Agreement.



Cardholder Review and Approve Reconciliation: The process by which the cardholder and the approving official reviews the monthly bank statements and reconciles against available supplier receipts and purchase card ordering logs using the JP Morgan tool. Note: The travel business line does not require the ordering log usage.

Cancelled Account: Occurs when an account with an undisputed individually billed balance remains unpaid 96 calendar days after the date of the statement of account on which the charge first appeared. An account may also be cancelled if the account reaches suspension status for the third time within a 12-month period. Suspension or cancellation will affect all privileges associated with the cardholder's account.

Central Account ID: A 7-digit number that uniquely identifies a Bureau's central account. Some PAYMENTNET maintenance requires inputting the central account ID. See the Bureau lead A/OPC for more information.

Central Account Number: The "parent" account for each Bureau that receives no transactions, and provides an umbrella for all charges to the individual accounts below it.

Centrally Billed: Transactions that are billed directly to the Government and paid by Finance; includes purchase of goods and services, convenience check transactions, temporary duty (TDY) travel transportation charges, hotel, and rental car expenses.

Charge Card: A plastic card, issued to an individual or an entity, with an underlying account that is used for making purchases or payments. A charge card is similar to a credit card, except that generally the balance must be paid in full upon receipt of the statement.

Charge Card Support Center (CCSC): Located in Denver, Colorado, the CCSC provides centralized support for the operation and administration of the DOI ICCP under the direction of the Office of Acquisition and Property Management.

Charge Card Program Manager: Responsible for implementing and overseeing the management of the of the DOI ICCP department-wide and charge card program policies.

Charged Off Account: Cancelled accounts with unpaid balances for 210 days is determined to be uncollectable by the bank and written off as "bad debt". At the bank's discretion, collection action may continue on these accounts.

Closing Date: Can be used interchangeably with "Billing Date". This is the last date for which charges appear on a statement. For DOI, that is the 19th of the month.

Continuity of Operations Planning (COOP): COOP is the effort within departments and agencies to ensure the continued performance of minimum essential functions during a wide range of potential emergencies.

Convenience Check: A J.P. Morgan paper check available only under the purchase business line to be used only when a vendor will not accept the charge card, electronic funds transfer (EFT), or purchase order. The checks are personalized with the cardholder's name, agency, office address and single purchase limit, and can only be issued by the cardholder.



Corporate Account Travel: Applicable to the travel business line only; an account used to purchase transportation tickets for individuals who do not have a travel account. This includes invitational travelers, interviewees, employees serving without appointment, and family members for relocation travel. Travel expenses of contractors and subsistence expenses of employees may **NOT** be charged to this account. No physical card is issued.

Corporate Account Purchase: Applicable to the purchase business line only; an account used to make purchase or to make contract payments by Warranted Contracting Officers.

Credit Worthiness: In accordance with Section 639 of the Consolidated Appropriations Act, 2005, P.L. 108-477, as prescribed in revised OMB Circular A-123, Appendix B, Improving the Management of Government Charge Card Programs, Chapter 6, a credit check will be conducted on all new Government charge card applicants.

Declined Transaction: A transaction for which authorization has been refused by the charge card issuing bank's transaction authorization system. Reports are available in the servicing bank tool.

Declining Balance Cards: One time use purchase card accounts that may be used during a limited time period (e.g., within a 3 year period), for a limited amount, possibly for a specific vendor or project. Available balance declines as the stored value card is used and the cards are reloadable.

Default Cost Code: May be used interchangeably with "Master Accounting Code". The default account code applied to all transactions for cardholder's account for budget tracking purposes.

Delegation of Procurement Authority Memorandum: A memorandum that recognizes the purchase card holder as a procurement official, grants authorization to spend Government funds, and establishes the level of purchase authority.

Delinquency: Cardholder failure to meet the payment due date, measured in 30-day increments. Delinquency may result in card suspension at 61 days with salary offset, and card cancellation at 96 days.

Dispute: The action a cardholder takes when an incorrect charge appears on the statement. Disputes are the cardholder responsibility, but the A/OPC can advise on procedures.

Electronic Access System (EAS): The servicing bank's Internet-based system which provides a variety of reports which assist in the effective charge card management.

Environmental "Green" Purchasing: The acquisition of supplies and services that promotes energy and water efficiency, advances the use of renewable energy products, and helps foster markets for emerging technologies.

Federal Acquisition Regulation (FAR): The regulation for use by federal executive agencies for acquisition of supplies and services with appropriated funds, as set forth in 48 CFR § 1-52.

Fraud: Any act of corruption or attempt to cheat the Government or corrupt the Government's agents, including but not limited to, the use of Government charge cards to transact business that is not sanctioned, not authorized,



not in one's official Government capacity, not for the purpose for which the card was issued, or not as part of official Government business.

GSA SmartPay® The Federal Government's charge card program that provides Federal Government cardholders a means to pay for commercial goods and services, travel and travel-related expenses, and vehicle fleet expenses.

Hierarchy: The organizational structure of the charge card program, which is composed of up to eight levels from cardholder to the Department.

Hierarchy Transfer: Movement of a cardholder from one hierarchy to another. If the cardholder is being moved within a Bureau, the A/OPC can perform the transfer in PAYMENTNET. Transfers between Bureaus require the old account to be closed, and the cardholder must reapply for a card at the new Bureau.

Improper Purchase: Purchase card transactions that are intended for Government use but are not permitted by law, regulation, or organizational policy.

Individually Billed (IB): Reimbursable transactions that the cardholder must pay. Examples include meals and ATM cash advances.

Internal Controls for the ICCP: Measures taken to ensure program integrity, safeguarding of account information, and program effectiveness. Internal controls consist of the policies, procedures, training, organization, and surveillance governing the purchase card program.

Integrated: Two or more business lines whose processes are combined on the front end (e.g., at a minimum, account maintenance and customer service) or the back end (e.g., at a minimum, reconciliation, reporting and invoicing), or both; may be a single card or multiple cards. Cardholders may be authorized with only one business line or all business lines.

Limited Use Card: A charge card activated only for periods of an individual's official travel. Limited use cards may also be authorized for use for a period of time pending charge card privilege reinstatement for cardholders whose charge card privileges have been cancelled for misuse or account delinquency. Limited use cards may have restricted credit limits or other restrictions, such as no cash access, as appropriate for the individual circumstance. Activation and deactivation card management is required for at least one year.

Management Control: From OMB Circular A-123; Management controls are the organization, policies, and procedures used to reasonably ensure that (i) programs achieve their intended results; (ii) resources are used consistent with agency mission; (iii) programs and resources are protected from waste, fraud, and mismanagement; (iv) laws and regulations are followed; and (v) reliable and timely information is obtained, maintained, reported and used for decision making.

Master Account Code (MAC): May be used interchangeably with "Default Code". The account code applied to all transactions for a cardholder's account for budget tracking purposes.



Merchant Category Code (MCC): A four-digit code used to identify the type of business a merchant conducts. Gas stations, restaurants, and airlines are a few examples. The vendor selected this code with their bank. The code controls where purchases are permitted and determines if the item is centrally or individually billed.

Micro-Purchase: As defined in FAR 2.101, an acquisition of supplies or services, the aggregate amount of which does not exceed \$3,000, except in the case of construction subject to the Davis Bacon Act, the limit is \$2,000, and for acquisitions of services subject to the Service Contract Act, the limit is \$2,500.

Mission Critical: A designation for certain employees, the nature of whose work, e.g., extended travel requirements, or overseas travel assignments, may prevent them from being able to make payments for individually billed travel-related transactions by the specified payment due date in which the charge first appeared. Only accounts in good standing are eligible for mission critical designation.

Misuse: Use of a Federal charge card or convenience check by an authorized user for other than the official Government purpose(s) for which it is intended. Charge card misuse can invoke DOI disciplinary action.

Net Credit Losses: Balances in individually billed accounts that reach 180 calendar days past the closing date on the statement of account in which the charges appeared for the reporting period, less recovered amounts. Recovered amounts are net of recovery fees paid to third parties.

PaymentNet: a J.P. Morgan Internet based system to help perform administrative changes to cardholder information and analyze program activities. All DOI cardholders may have access to PaymentNet. A User ID and password from J.P. Morgan are required. (Contact bureau AOPC) PaymentNet can be accessed at:
<https://gov1.paymentnet.com>

Purchase Card Ordering Log: A manual or automated log in which the cardholder documents the individual transactions and screening for mandatory sources of supply, consideration regarding “green” purchasing, and any required Section 508 documentation when using the purchase card or associated convenience checks.

Reporting Tool: A report scheduling and viewing function available through PaymentNet to assist in managing the card program.

Required Sources of Supply: The priority of sources as listed by FAR Part 8 and Subpart 8.001.

Retention of Documents: The storing of supporting documentation for purchase card transactions below the micro-purchase threshold for a period of 3 years in accordance with FAR Subpart 4.805 and GAO-08-368R.

Section 508 of the Rehabilitation Act: Section 508 of the Rehabilitation Act of 1973 requires that Federal departments and agencies procure electronic and information technology in such a manner as to allow Federal employees with disabilities to have access to and use of information and data that is comparable to the access to and use of information and data by other Federal employees.

Sensitive Property: Property that must be controlled, regardless of value, by detailed accountability records. Sensitive property shall, at a minimum, include firearms and museum property.



SmartPay Program: A GSA program consisting of contracts for charge card services from which Federal agencies may select charge card contractors for their travel, purchase, and fleet needs.

Servicing Bank: The financial institution and its associations, responsible for issuing DOC purchase cards as the result of a task order against the active GSA SmartPay® 2 Master Contract is JP Morgan Chase Bank and MasterCard association.

Separation of Duties: A mandatory management control to prevent key functions from being done by the same person. Important duties, such as making purchases, authorizing payments, certifying funding and reviewing/auditing will be assigned to different individuals to minimize the risk of loss to the Government to the greatest possible extent.

Simplified Acquisition: An acquisition of supplies or services conducted in accordance with the procedures of FAR Part 13. The Simplified Acquisition Threshold is currently \$150,000.

Single Purchase Limit (Dollars per Transaction Limit): The dollar limit imposed on a cardholder's single purchase or payment transaction.

Split Purchase: Separating a requirement that exceeds a cardholder's single purchase limit or threshold into two or more buys as a means of circumventing the cardholder's purchase limit.

Statement of Account: Official document of all transactions (debits and credits) at the cardholder level posted during the billing cycle. The statement of account is not the official invoice.

Strategic Sourcing: The process of continually analyzing the way agencies spend funds through contracts, delivery orders, and through the Government purchase card program in order to ensure that agencies are achieving discounts on commonly purchased goods and services.

Suspension: Occurs when any undisputed individually billed transactions remain unpaid for 61 calendar days after the date of the statement of account, on which the charges first appeared.

Transaction Transfer: Movement of a transaction from individually billed to centrally billed or from centrally billed to individually billed, approved by the approving official and sent to the A/OPC from the cardholder or approving official.

Third Party Credit Card Processor: A third party credit card processor is a company that can accept credit card orders over the internet on behalf of an individual or another merchant. Such as: PayPal, Pro Pay, Citibank, CCBill, Globill systems, Verotel, CCNow, RegSoft, and Kaqi.

User Roles: The authorization level a PAYMENTNET user is given to access screens and perform PAYMENTNET tasks.



Virtual Cards: A purchase card account number that is used to make payment on contracts or to a specific merchant that accepts the purchase card a method of payment.

Waste : Any activity taken with respect to a Government charge card that fosters, or results in, unnecessary costs or other program inefficiencies.

DRAFT



Appendix B. Approving Official Appointment Memorandum

Memorandum

To: DOI Charge Card Program Approving Official

From: Debra E. Sonderman, Director, Office of Acquisition and Property Management and Senior Procurement Executive

Subject: Appointment or Reappointment as Approving Official for DOI Integrated Charge Card Program

This memorandum formalizes your appointment as an Approving Official for the Department of the Interior (DOI) Integrated Charge Card Program. In accordance with OMB Circular A-123, Appendix B, you are hereby appointed or reappointed as an Approving Official for the employees in your unit who hold a Government-issued MasterCard. Please print and retain a copy of this appointment for your files.

As an approving official, you are the first control point for the integrity of the DOI Integrated Charge Card Program. You must assure proper and responsible use of charge cards by:

- Reviewing monthly statements of account for cardholders under your purview;
- Verifying the validity of all purchases listed on the cardholder's statement of account;
- Promptly signing/filing paper cardholder statements and back-up documentation, as applicable, in accordance with your bureau/office records retention policy;
- Examining all cardholder documentation related to card and/or convenience check transactions to ensure that purchases are for a bona fide Government need.
- Resolving any questionable purchases with the cardholder;
- Ensuring that the cardholder's purchase transactions are properly reconciled with the servicing bank's statement of account;
- Ensuring that property or sensitive item purchases are properly recorded in the bureau/office property management system;
- Notifying the bureau Agency/Organization Program Coordinator (A/OPC) of any suspected cases of misuse or potential fraud;
- Properly maintaining documentation and records showing questioned transactions, including subsequent investigation and the outcome (e.g., disciplinary action taken or referral to the Office of Inspector General).

As the designated Approving Official and/or supervisor, you are ultimately responsible for cardholders under your purview. As a supervisor of an A/OPC, you are responsible for ensuring that he/she performs the charge card management responsibilities as outlined in his/her appointment memorandum. You must ensure that each cardholder and A/OPCs under your purview is assigned the appropriate DOI University Integrated Charge Card learning plan and satisfactorily completes all mandatory training requirements.

You are required to meet with your cardholder(s) to discuss the use of the charge card and the types of transactions you will approve. Further information, including the Charge Card Program Policy, forms, and contact information is available online at <http://www.doi.gov/pam/programs/chargecard/index.cfm>.

Should you have any questions regarding the DOI Charge Card Programs, please contact your bureau Lead A/OPC. For Departmental policy questions, please contact David Carter, Integrated Charge Card Program Manager, of my staff at (202) 513-7544 or via email at david_carter@ios.doi.gov.



The servicing bank provides a variety of reports to assist cardholders and Approving Officials with managing their program. Approving Officials shall continuously monitor their programs using the following mandatory reports:

Report Name	Travel Business Line Charge Card Management Report Description
Travel Activity Report	This custom report will display travel related transactions (i.e. cash, fuel, ground transportation) where there is no associated airline or hotel transaction within 7 days before or after the transaction date.
Delinquency Summary	The Delinquency Summary report tracks past due balances, write-offs, recoveries, outstanding, and current balances by hierarchy for an Organization.
Report Name	Purchase Business Line Charge Card Management Report Description
Convenience Check Report	Identifies Convenience Check transactions where the payee name on the convenience check is similar to, or equal to, the convenience check holder's name, or where the payee is "Cash"
Annual Purchase Cardholders Report	The custom report will be used to show DOI employees with purchase authority who have activity over a given time frame. The intent of the report is to identify those employees who have infrequent or no purchase activity to reduce purchase card access or credit limits.
Pending Review and Approve Report	The Pending Review/Approval Report detail transactions review/approval status. The report displays hierarchy, account, merchant, and transaction detail information, approvers to which the transaction are assigned, and the dates assigned, reviewed and approved by the approver.
Report Name	Fleet Business Line Charge Card Management Report Description
Unusual Activity Analysis Report	The Unusual Activity Analysis Report can be used to monitor unusual transaction activity and determine if the transactions are business related. The report lists: Merchant Category Codes with description, account name, merchant name, city, state, transaction date and amount.
Report Name	Integrated Charge Card Management Report Description
Declines Report	The Declines report can be used to monitor the occurrences and reasons why cardholders have been declined. The report lists: Decline Code and Reason, Account Name, Account Number, Amount, MCC, MCC Description, Date and Time of Decline.



Appendix C. A/OPC Appointment Memorandum

Memorandum

To: Bureau Agency/Organization Program Coordinator

From: Debra E. Sonderman, Director Office of Acquisition and Property Management and Senior Procurement Executive

Subject: Appointment as Charge Card Agency/Organization Program Coordinator

This memorandum formalizes your appointment as an Agency/Organization Program Coordinator (A/OPC) for the Department of the Interior (DOI) Integrated Charge Card Program. Under this appointment, you are hereby delegated authority to manage day-to-day operations for DOI Integrated Charge Card Programs under the General Services Administration (GSA) SmartPay®2 Program, and in coordination with the DOI Charge Card Program Manager. As an A/OPC, you shall comply with all pertinent Federal, Departmental and bureau/office policies, laws, regulations, and procedures; and appropriately use charge card management controls under your purview to monitor program effectiveness on a regular basis and reduce the risk of charge card fraud, waste, abuse, or misuse.

Attachment 1 provides an outline of A/OPC responsibilities. The DOI Charge Card Program Policy, available online at <http://www.doi.gov/pam/programs/chargecard/index.cfm>, contains additional information regarding your roles and responsibilities as an A/OPC. Please review and familiarize yourself with this information. Your role is vital to the success of the charge card programs. A/OPCs are the primary intermediaries between Approving Officials, cardholders, the servicing bank, and bureau managers; and ensure that the responsibilities of cardholder, Approving Official and A/OPC do not circumvent management controls.

All A/OPCs are required to utilize all electronic tools at the agency's disposal, including testing of automated applications under development, to monitor and review cardholder transaction details on a daily basis. These tools include the servicing bank's Electronic Access System (EAS) tools and reports such as standard bank reports, custom reports, bank alerts, and automated rules-based data mining tool. A list of the mandatory reports provided by the servicing bank is included in Attachment 2.

This appointment may be terminated at any time by written notice from the Senior Procurement Executive or the DOI Integrated Charge Card Program Manager. Your appointment will remain in effect until terminated in writing or when you leave your currently assigned position.

If you believe you have received this appointment letter in error and you will not be performing the duties of an A/OPC, please contact your Bureau Lead A/OPC. If you have Departmental policy questions, please contact David Carter, Integrated Charge Card Program Manager, at (202) 513-7544 or email david_carter@ios.doi.gov.



Attachment 1

Charge Card Agency/Organization Program Coordinators (A/OPCs) ensure the effectiveness of the DOI Integrated Charge Card Program, by monitoring compliance with Federal, Departmental and bureau/office policies, laws, regulations, and procedures, on a regular basis. A/OPC responsibilities include, but are not limited to, the following:

- Providing advice, assistance and guidance to cardholders, supervisors, Approving Officials and Bureau managers.
- Overseeing adherence to DOI and Bureau/Office charge card policies.
- Monitoring compliance with procurement, fleet, and travel regulations related to charge card use.
- Identifying and reporting charge card delinquency to management.
- Researching, analyzing, resolving, and providing responses to charge card questions, issues and alert notifications.
- Establishing, managing, suspending, and/or terminating cardholder accounts as applicable.
- Performing oversight functions, including detailed transactional review; communicating through proper channels any potential fraudulent transactions that are identified.
- Communicating necessary hierarchy updates and managing user role requests and updates.
- Updating cardholder/approving official profile contact information under your purview.
- Monitoring mandatory charge card training requirements and records through DOI Learn or your bureau/office training coordinator.
- Providing input for training updates and corrections that do not conflict with the GSA SmartPay®2 Master Contract provisions or the DOI Charge Card Program Policy.
- Performing electronic oversight and surveillance activity of the Government Charge Card and documenting the case management tool.
- Conducting quarterly and/or annual review/audit of Approving Official and cardholder records for adherence to the policies and guidance.
- Identifying and reporting suspected fraud, waste, and abuse to the Bureau Lead A/OPC, Office of the Inspector General, and to the DOI Integrated Charge Card Program Manager, as applicable.
- Preparing formal requests for deviations from Government Charge Card Policy (as unique circumstances arise) for submission to the DOI Integrated Charge Card Program Manager, through Bureau Lead A/OPC.
- Terminating or suspending accounts at the written request of the DOI Integrated Charge Card Program Manager or Bureau Lead A/OPC, or when potential fraud or abuses are apparent.
- Recommending termination of the Delegation of Procurement Authority or Approving Official appointment through the Bureau Lead A/OPC, to the Bureau Procurement Chief.
- Upon written notification, supporting all Department-wide charge card program optimization initiatives to include, but not limited, to strengthening internal controls, improving operational efficiencies, business processes reengineering studies, cost savings initiatives, charge card management reviews, online cardholder reconciliation and Approving Official review, and data mining initiatives.



Attachment 2

The servicing bank provides a variety of reports to assist A/OPCs with managing their program. A/OPCs shall continuously monitor their programs using the following mandatory reports:

Report Name	Travel Business Line Charge Card Management Report Description
Airline Exception Report	This report is used to identify airline purchases made where the air traveler is different from the cardholder who purchased the ticket.
Past Due Report	Account Past Due Report
Travel Activity Report	This custom report will display travel related transactions (i.e. cash, fuel, ground transportation) where there is no associated airline or hotel transaction within 7 days before or after the transaction date.

Report Name	Purchase Business Line Charge Card Management Report Description
Convenience Check Report	Identifies Convenience Check transactions where the payee name on the convenience check is similar to, or equal to, the convenience check holder's name, or where the payee is "Cash"
Potential Split Purchase Report	This report will allow A/OPCs to monitor any instances where a cardholder, or group of cardholders within the same hierarchy node, split payments to a particular vendor in order to bypass the Government's single purchase limits.
Annual Purchase Cardholders Report	The custom report will be used to show DOI employees with purchase authority who have activity over a given time frame. The intent of the report is to identify those employees who have infrequent or no purchase activity to reduce purchase card access or credit limits.

Report Name	Fleet Business Line Charge Card Management Report Description
Fleet Transaction Detail	The Fleet Transaction Detail Report can be used to monitor fuel and nonfuel related purchases for each account.
Pending Review and Approve Report	The Pending Review/Approval Report details transactions and their review/approval status. The report displays hierarchy, account, merchant, and transaction detail information, approvers to which the transaction are assigned, and the dates assigned, reviewed and approved by the approver.
Unusual Activity Analysis Report	The Unusual Activity Analysis Report can be used to monitor unusual transaction activity and determine if the transactions are business related. The report lists: Merchant Category Codes with description, account name, merchant name, city, state, transaction date and amount.



Report Name	Integrated Charge Card Management Report Description
Weekend/ Holiday Activity Report	This report will display transactions where rental car return and/or lodging check-out is on a Sunday, Monday, or Federal Holiday.
Current Hierarchies Report	This custom report will provide details of all current active DOI hierarchies, including the hierarchy name, hierarchy description, telephone, fax, address (street, city, state, zip) etc.
Hierarchy Based Roles Report	This report will provide a listing of all cardholders - their user ID, role, status and where their authority is within a hierarchy.
Cardholder Profile	The Cardholder Profile Report can be used by administrators to manage cardholder information. – One of the most valuable reports for Accounts.
Declines	The Declines report can be used to monitor the occurrences and reasons why cardholders have been declined. The report lists: Decline Code and Reason, Account Name, Account Number, Amount, MCC, MCC Description, Date and Time of Decline.
Transaction Detail with Level 3 Addendum	The Transaction Detail with Level 3 Addendum Report lists transactions with enhanced addendum. Only Airline, Rental Car, Hotel, Travel, Fleet, Purchasing, and Shipping Addendum data is provided. If postdate criterion is not selected, the report will default to activity within the last 30 calendar days.
Transaction Disputes by Hierarchy	The Transaction Disputes by Hierarchy report can be used to monitor the status of disputed transactions. The report lists: Account Name, Account #, Merchant Name, Transaction Date, Transaction Amount, Date Disputed, and Date Resolved.
Pending Review and Approve Report	The Pending Review/Approval Report details transactions and their review/approval status. The report displays hierarchy, account, merchant, and transaction detail information, approvers to which the transaction are assigned, and the dates assigned, reviewed and approved by the approver.
Unusual Activity Analysis Report	The Unusual Activity Analysis Report can be used to monitor unusual transaction activity and determine if the transactions are business related. The report lists: Merchant Category Codes with description, account name, merchant name, city, state, transaction date and amount.



Appendix D. Appointment/Delegation of Purchase Business Line Authority

Memorandum

To: Cardholder

From: Bureau Procurement Chief

Subject: Appointment/Delegation of Purchase Business Line Authority

In accordance with Federal Acquisition Regulation (FAR) subpart 1.603-3(b) and Department of the Interior [Integrated Charge Card Program Policy](#), you are hereby appointed as a cardholder under the DOI's Purchase Business Line. Under this appointment, you are hereby delegated authority to purchase and pay for supplies and services required by your organization using the DOI Integrated Charge Card (Purchase Business Line) under the GSA SmartPay® Program. Some cardholders may be granted convenience check authority to use only when a merchant does not accept the charge card and there is not an alternate source of supply where the card is accepted.

The aggregate amount of any purchase you make from any one supplier cannot exceed the micro-purchase threshold of \$3,000 except for the acquisition of construction subject to the Davis Bacon Act, the limit is \$2,000, and the acquisition of services subject to the Service Contract Act, the limit is \$2,500.

In accordance with FAR, Subpart 13.301, the Government-wide commercial purchase card may be used above the micro-purchase threshold, by contracting officers, to place a task or delivery order (if authorized in the basic contract, basic ordering agreements, or blanket purchasing agreements, and Federal Supply Schedules); or make payments, when the contractor agrees to accept payment by the purchase card.

With this Delegation you assume a unique role as the Government's authorized agent to obligate Government funds. Your role as the cardholder is to use the Integrated Charge Card to buy goods and services for Government use. You hold the primary responsibility for the proper use of the Integrated Charge Card. This is a substantial responsibility that must be exercised with fairness, reasonableness and good business judgment. The fact that your office has requested this authority for you is a clear statement of the trust that the Department of the Interior has placed in you. Your responsibilities as a cardholder are to:

Read and follow the Integrated Charge Card Program Policy Manual.

- Secure the card and use it ethically.
- Maintain an optional purchase card ordering log, subject to bureau policy.
- Use the card only to make informed buys of approved goods and services.
- Ensure availability of funds before purchase.
- Ensure that the total amount of the transaction does not exceed the single purchase limit or the amount of funds available for the transaction.
- Reconcile and document transactions (PaymentNet Online review and Approve).



You are the Government's legal agent for each purchase made with the Integrated Charge Card. You are legally responsible and accountable for each transaction. You must comply with all applicable regulations and procedures set forth in [DOI's Integrated Charge Card Program Policy Manual](#) and any Bureau/ Office Policies and or Guidance.

This delegation of purchasing authority is limited and is not subject to re-delegation by you. The delegation may be terminated at any time by written notice from the Bureau Procurement Chief, the DOI Charge Card Program Manager, or the Senior Procurement Executive.

This delegation shall automatically terminate upon separation from the agency or upon reassignment to another office within the agency and the office does not desire that you be a cardholder. You shall promptly notify the A/OPC of any changes to your employment status, so that your appointment can be terminated.

The [DOI Charge Card Program Policy](#) contains additional information regarding your roles and responsibilities as cardholder/convenience check writer. Use of the card is subject to the [Government Charge Card Abuse and Prevention Act of 2012](#), DOI policy as prescribed in this document, and any Bureau/Office supplemental policy. The [servicing bank electronic access system](#) provides a variety of alerts and reports to assist cardholders with managing their accounts.

If you believe you have received this appointment letter in error and you will not be performing as a cardholder with purchase authority, please contact your Bureau Lead A/OPC.

Assumption of Liability: "I certify and acknowledge that I have read and understand the responsibilities and liabilities assumed by me as a Government Purchase Cardholder. I understand that as a cardholder I hold a public trust and must meet the highest ethical standards. I will use the card only to purchase items of supply and services within the guidance of the Government Commercial Charge Card Program. False statements on charge card records or the unauthorized use of the Government Purchase Card will subject me to disciplinary actions and/or personal liability".



Appendix E. Status of Inactive Charge Card

Date: _____

MEMORANDUM FOR: _____ [Approving Official]

FROM: _____ [Agency Organization Program Coordinator]

SUBJECT: Charge Card ending in _____. Cardholder: _____

A recent review of charge card activity indicates that the subject card may be inactive based on the following:

- ☐ Card had no activity during the past 18 months
- ☐ Card had transactions totaling \$_____ from _____ to _____.

Please review the subject card and complete, date, and sign this form and return it to your A/OPC by _____. Failure to complete this form will result in cancellation of the card.

Approving Official Determination

I have reviewed this charge card and have determined the following:

- ☐ Card is no longer needed and should be canceled for the following reason:
 - ☐ Cardholder has transferred to another office or has left the organization.
 - ☐ There are no requirements to justify need for a card.
 - ☐ Requirements are being satisfied by another cardholder or through other means.
- ☐ Card is still required for the following reason:
 - ☐ Card is to be used for emergencies. The cardholder has been designated as an “emergency employee” or a “mission-critical emergency employee” under an emergency response plan or continuity of operation plan (COOP).
 - ☐ Office requirements exist but demand patterns are highly variable.

Approving Official Signature: _____ Date: _____



Appendix F. Charge Card Risk Factors

<i>Charge Card Risk Factors</i>		
Risk Factor	Description	Recommended Risk Reduction Methods
General risk of fraud, waste, abuse and misuse	Ensure that the environment is not conducive to charge card fraud, waste, abuse, and misuse.	<ul style="list-style-type: none"> Conduct regular surveillance and annual reviews of cardholder's activity. Ensure that all violations are promptly identified and that corrective and/or disciplinary actions are taken. Publicize serious violations and the actions taken in response. Ensure that separation of duties exist so that an individual is not performing two or more purchase card functions for a transaction (cardholder and AO, AO and billing official, independent receipt and acceptance, etc.) Ensure that cardholders and AOs receive all necessary training and refresher training commensurate with their purchase limits. AOPCs and AOs shall ensure that appropriate authorities are requested and that no transactions using emergency authorities are utilized until specific delegation of that authority has been given and communicated to the Bureaus.
Newly appointed AOs and cardholders	Newly appointed AOs and cardholders have less experience with the purchase card program's policies and procedures and may therefore have a higher risk of misuse.	<ul style="list-style-type: none"> Perform a limited review of all new AOs and cardholders within 120 days of their appointment to identify procedural errors or misuse.
Integrated card accounts that have few or no merchant category restrictions	Card accounts with few merchant category restrictions provide more flexibility for cardholders but may increase the risk of unauthorized purchases.	<ul style="list-style-type: none"> Based on the types of products and services the card is being used to purchase, consider adding merchant category code restrictions to the account Review cardholder transactions for suspicious purchases and follow up as necessary Conduct periodic spot checks to ensure compliance
Purchase card accounts with many transactions at or near the cardholder's single purchase limit	This could be an indicator that purchases are being split in order to bring them under the cardholder's limit.	<ul style="list-style-type: none"> Review cardholder transactions for suspicious purchases and follow up as necessary
Purchase card accounts where the individual transaction amounts are significantly below the cardholder's single purchase limit	This could indicate that the cardholder has greater purchase authority than they require for their typical purchases.	<ul style="list-style-type: none"> Consider reducing the cardholder's purchase limit consistent with their purchase needs When establishing new card accounts, ensure that single purchase limits reflect actual needs rather than automatically defaulting to the micro-purchase limit.
Inactive cards (except for	Cards with little or no activity	<ul style="list-style-type: none"> Conduct review of inactive cards semi-annually and



<i>Charge Card Risk Factors</i>		
Risk Factor	Description	Recommended Risk Reduction Methods
emergency cards issued under COOP)	over an 18 month period are considered inactive. Cards that are issued solely as a backup card for another cardholder are prohibited.	<ul style="list-style-type: none"> cancel cards that are no longer required. Cardholders cannot have an AO who is organizationally below them (e.g., AO cannot oversee a cardholder who is the AO's supervisor). Use servicing bank's EAS to separate to track/identify all card purchases in support of emergency operations for anticipated reporting requirements to Congress, GAO, IG, etc. Ensure AOs and cardholders are advised of any changes to purchase card procedures or changes to authority levels as a result of the emergency.
Purchase card transactions during emergencies or other contingencies	Purchase card transactions occurring during emergencies (natural disasters, biological, radiological, chemical, health-related, etc.) pose a higher risk.	<ul style="list-style-type: none"> Use PaymentNet to separate and to track/identify all card purchases in support of emergency operations for anticipated reporting requirements to Congress, GAO, IG, etc. Ensure AOs and cardholders are advised of any changes to purchase card procedures or changes to authority levels as a result of the emergency. Conduct spot checks during the emergency for compliance, and post-event reviews of transactions. Ensure AOs and cardholders are promptly alerted when the emergency is over and any special emergency procedures or authorities revert to normal.
AOs with a span of control	As an AO's span of control and monthly transaction review increases, the risk of failure to identify improper purchase transactions increases.	<ul style="list-style-type: none"> If problems due to workload are identified during the annual review, consider reducing the span of control by training and appointing additional AOs as necessary. Conduct more frequent spot checks or surveillance of AOs as necessary.
A/OPCs with a span of control greater than 350 AOs and cardholders	A/OPCs with more than 350 AOs and cardholders assigned to them may find it difficult to adequately carry out their program oversight role effectively, thereby increasing risk.	<ul style="list-style-type: none"> BPCs/CFOs should monitor A/OPC spans of control and establish additional A/OPCs as warranted. A/OPCs should review the agency oversight and surveillance process and risk reduction approach for adequacy, and recommend any needed improvements.
AOs or cardholders that have had previous instances of misuse	AOs and cardholders that have violated procedures in the past may have a higher risk of future violations	<ul style="list-style-type: none"> Increased surveillance and spot checks to ensure compliance Cancel/suspend cards for cardholder repeat offenders, or train and assign new AOs for repeat AO violations.



Appendix G. Mandatory Reports

Report Name	Travel Business Line Charge Card Management Report Description
Airline Exception Report	This report is used to identify airline purchases made where the air traveler is different from the cardholder who purchased the ticket.
Past Due Report	Account Past Due Report
Travel Activity Report	This custom report will display travel related transactions (i.e. cash, fuel, ground transportation) where there is no associated airline or hotel transaction within 7 days before or after the transaction date.
Monthly Charge-off and Salary Offset Referral Report	This custom report will provide DOI a listing of accounts, based on delinquency status, that qualify for Salary Offset.
Airline Ticket Credit Summary	The Airline Ticket Credit Summary can be used to monitor airline credits.
Delinquency Summary	This report tracks past due balances, write-offs, recoveries, outstanding, and current balances.
Lodging Spending Analysis by Top Chain	The Lodging Spending Analysis By Top Chain identifies the lodging establishments where the accounts are being used, and can be used for rate negotiations.
Credit and Debit	Use this report to assist with airline debit and credit reconciliation for centrally billed travel accounts.
IBA Statement History	This report is used to obtain a complete financial profile for Individually Billed Accounts including statement details and other information, such as purchases, payments and delinquency status.

Report Name	Purchase Business Line Charge Card Management Report Description
Convenience Check Report	Identifies Convenience Check transactions where the payee name on the convenience check is similar to, or equal to, the convenience check holder's name, or where the payee is "Cash"
Past Due Report	Account Past Due Report
Potential Split Purchase Report	A/OPCs can monitor identify instances where a cardholder, or group of cardholders within the same hierarchy node, potentially split purchases to avoid single purchase limits.
Annual Purchase Report	This custom report is used to identify infrequent purchase card activity
Transaction Detail with Purchase Addendum	This report is used to analyze only transactions with purchasing addendum.

Report Name	Fleet Business Line Charge Card Management Report Description
Fleet Product Type Summary	The is a "roll-up" report used to identify the total spend for each fleet product type.
Fleet Transaction Detail	This can be used to monitor fuel and non-fuel related purchases for each account.
Fuel Purchase Detail Summary	The Fuel Purchase Detail Summary can be used to evaluate fuel purchases.

Note: PaymentNet [Report Guide](#) is available for download on [JP Morgan communication website](#).



Report Name	Integrated Charge Card Management Report Description
Account Activity With Hierarchies Report	The Account Activity with Hierarchies Report shows transactional information for all transaction types with the information.
Weekend/ Holiday Activity Report	This report will display transactions where rental car return and/or lodging check-out is on a Sunday, Monday, or Federal Holiday.
Current Hierarchies Report	This custom report will provide details of all current active DOI hierarchies, including the hierarchy name, hierarchy description, telephone, fax, address (street, city, state, zip) etc..
Hierarchy Based Roles Report	This report will provide a listing of all non-cardholders - their user ID, role, status and where their authority is within a hierarchy.
Cardholder Profile	The Cardholder Profile Report can be used by administrators to manage cardholder information. – One of the most valuable reports for Accounts.
Declines	The Declines report can be used to monitor the occurrences and reasons why cardholders have been declined. The report lists: Decline Code and Reason, Account Name, Account Number, Amount, MCC, MCC Description, Date and Time of Decline.
Statistical Summary Report	The Statistical Summary Report lists account and transaction summary information with scope of view based on hierarchy.
T&E Expense Activity by Cardholder	The T & E Expense Activity by Cardholder report can be used to analyze at the account level, the total and average dollar amount spent on each of the following travel types of purchases: Airlines Lodging, Car, Mass Transportation, Transportation, Restaurant, Cash, and Other.
Transaction Detail with Level 3 Addendum	The Transaction Detail with Level 3 Addendum Report lists transactions with enhanced addendum. Only Airline, Rental Car, Hotel, Travel, Fleet, Purchasing, and Shipping Addendum data is provided. If postdate criterion is not selected, the report will default to activity within the last 30 calendar days.
Transaction Disputes by Hierarchy	The Transaction Disputes by Hierarchy report can be used to monitor the status of disputed transactions. The report lists: Account Name, Account #, Merchant Name, Transaction Date, Transaction Amount, Date Disputed, and Date Resolved.
Transaction Disputes by Status	The Transaction Disputes by Status report lists the status of disputed transactions. The report lists: Account Name, Transaction ID, Account Number, Merchant Name, Transaction Date, Transaction Amount, Date Disputed, and Date Resolved.
Account Cycle Activity	This report analyzes spending patterns for individual accounts to assist in determining appropriate credit limits, account statuses, and decision for possible account suspensions/closures.
Pending Review and Approve Report	The Pending Review/Approval Report details transactions and their review/approval status. The report displays hierarchy, account, merchant, and transaction detail information, approvers to which the transaction are assigned, and the dates assigned, reviewed and approved by the approver.
Unusual Activity Analysis Report	The Unusual Activity Analysis Report can be used to monitor unusual transaction activity and determine if the transactions are business related. The report lists: Merchant Category Codes with description, account name, merchant name, city, state, transaction date and amount.

Note: PaymentNet [Report Guide](#) is available for download on [JP Morgan communication website](#).



Appendix H. Charge Card Management Review Report

CHARGE CARD MANAGEMENT REVIEW REPORT FOR

(Insert bureau/office)

I. INTRODUCTION

A Charge Card Management Review was conducted at *(insert field office)* on *(insert date(s))*, by *insert name(s) of those performing review and the acquisition office)*. The charge card program at this location consists of *(insert number of Approving Officials and number of cardholders)*. The current single purchase limits of the cardholders are as follows: *(insert how many cardholders have up to the micro-purchase limit and how many have over the micro-purchase limit and what their single purchase limit is)*. *(Insert the number of files reviewed)* purchase business line files were reviewed. The purpose of this review was to evaluate the effectiveness and efficiency of the charge card program and provide suggestions to improve any noted weaknesses or deficiencies. The review offers a baseline assessment of current strengths and weaknesses within the office. *(Insert the percent of the files reviewed, for example: One hundred percent of the 277 available files were reviewed)* available files were reviewed for the period of *(insert period of the files reviewed)*. The elements used are listed below under three specific areas, in which one of the five possible ratings was applied to each area. The rating criteria are as follows:

Distinguished: Develops and implements innovative approaches in the purchase card program; produces and demonstrates improvements in the program; and develops internal control procedures to identify fraud, waste and abuse.

Commendable: Actions within the program that often exceed the norm and offers considerable value.

Satisfactory: Complies with applicable statutory and regulatory procedures; which are outlined in the Federal Acquisition Regulation (FAR) and ICCP Policy Manus.

Needs Improvement: One-time occurrences or borderline violation(s) of elements.

Unsatisfactory: Circumvents or often does not comply with purchase card policies and procedures.

A. Statutory, Regulatory and Procedural Compliance: Consists of thirteen elements and are as follows:

- i. Did any other individual other than the cardholder use his or her card?
- ii. Did purchases exceed the Cardholder's limit?
- iii. Did the cardholder split requirements to stay under their single purchase limit?
- iv. Were Required Sources of Supplies or Services checked prior to making a purchase?
- v. Were purchases for official Government business?
- vi. Were the following items purchased using the purchase card: long-term rental or lease of land or building, travel or travel related expenses; cash advances; personal/convenience items; and were printing, personnel recruitment, newspaper advertisements, leasing of motor vehicles, meals at conferences purchased with the proper justifications and approvals?
- vii. Was the card used for repetitive buys to the same vendor?
- viii. Did the Cardholder pay any U.S. State taxes?
- ix. Was personal property items properly tracked?
- x. Was there evidence of competition and supporting documentation for transactions exceeding the micro-purchase threshold?
- xi. Were domestic transactions exceeding the micro-purchase threshold per transaction set-aside for small business?
- xii. Were prices determined to be fair and reasonable in the absence of competition and
- xiii. Did procurements over the micro-purchase threshold comply with all applicable FAR requirements?



B. Business Practices and Judgment: consists of 6 elements and are as follows:

- i. Does the cardholder reconcile their statement each month?
- ii. Are cardholder records being retained for a minimum of 3 years?
- iii. Is there a valid written authorization that describes what is to be purchased and signed by someone with authorized requisitioning authority?
- iv. Are there valid receipts and/or cash register tapes supporting the purchase, if not is there a statement why a receipt and/or cash register tape is not available?
- v. Is there proof of delivery or completion of performance?
- vi. Were transactions entered in the Servicing Bank's on-line Purchase Card Ordering Log?

C. Management Effectiveness: consists of two elements and are as follows:

- i. Does each cardholder meet the required training requirements?
- ii. Are acquisition references readily available?

The overall rating for your office resulting from this Purchase Card Program Review is: *(Insert the applicable rating the office should receive based upon the five levels discussed in Part I)*

The reviews consisted of the following findings:

II. STATUTORY, REGULATORY AND PROCEDURAL COMPLIANCE

Overview: This rating is based on compliance with procurement rules, regulations and procedures. Weaknesses are considered a violation in statutory, regulatory and procedural requirements. If a violation was a repeated occurrence, it was consolidated and considered a weakness under that particular element. The resultant rating assigned to this area was: (Insert the applicable rating for this section based upon the five levels discussed in Part I)

A. Strengths:

1. *List all strengths that are applicable to this specific area.*

EXAMPLE:

1. 95% of the purchases were for official Government business and were not purchases of restricted items or items requiring approvals prior to purchase.

2. *Personal Property was properly tracked in the accountable property records.*

B. Weaknesses:

1. *List all weaknesses that are applicable to this specific area as well as justification to support your rationale.*

EXAMPLE:

1. *One of the four cardholders paid state tax resulting in a total of \$182.14 for the year and a half reviewed.*

While this is a small amount of tax, the Government is tax exempt and therefore it is the responsibility of the cardholder to ensure that there is no tax charged to purchases. Each card has the tax exempt number embossed directly on the card.

2. *100% of the files lacked documentation stating whether the Required Sources of Supply or Services were checked prior to ordering on the open market.*



Cardholders are required to adhere to the requirements of FAR 8.001, which require agencies to acquire supplies and services from designated sources if they are capable of providing them. Cardholders must review the required sources of supply prior to placing an order with a commercial vendor.

C. Recommendations:

Provide recommendations for the above weaknesses.

EXAMPLE:

- 1. All cardholders should take the purchase card course offered by GSA or other commercial sources prior to the close of the third quarter in FY 13.*
- 2. Provide the servicing BPC with your plan of action on how you will comply with statutory, regulatory, and procedural requirements no later than (Insert Date response should be received by).*

III. BUSINESS PRACTICES AND JUDGEMENT

Overview:

This rating is based on the overall quality of the purchase card files and business decisions by using the six elements that were listed. If a violation was a repeated occurrence, it was viewed as a trend and considered a weakness under that particular element. The resultant rating assigned to this area is: *(Insert rating from the five levels discussed in part I).*

A. Strengths:

List all strengths that are applicable to this specific area.

EXAMPLE:

- 1. Credit card statements were centrally located making them readily accessible.*
- 2. Purchase Card statements were reconciled within the required timeframe.*

B. Weaknesses:

List all weaknesses that are applicable to this specific area.

EXAMPLE:

- 1. A procurement request or similar document was not consistently used to demonstrate funds availability, required source of supply availability, etc. prior to making purchases.*

FAR Subpart 32.702 states, "No officer or employee of the Government may create or authorize an obligation in excess of the funds available, or in advance of appropriations (Anti-Deficiency Act, 31 U.S.C. 1341), unless otherwise authorized by law. Before executing any contract, the contracting officer shall obtain written assurance from responsible fiscal authority that adequate funds exist."

C. Recommendations:

Provide recommendations for the above weaknesses.

EXAMPLE:

- 1. A purchase request of some type shall be completed for each transaction to indicate funds availability.*



IV. MANAGEMENT EFFECTIVENESS

Overview:

This area included an assessment of the organization's structure, along with a review of the tools provided to purchase card personnel. The resultant rating assigned to this area is: *(Insert rating for this area based from the five levels discussed in Part I).*

A. *Strengths:*

List all strengths that are applicable to this specific area.

EXAMPLE:

All purchase card holders have had the required mandatory GSA Smart-Pay training and copies of the training certificates are on file.

B. *Weaknesses:*

List all weaknesses that are applicable to this specific area.

- 1. One of the cardholders, with purchase card authority over the micro-purchase threshold, has not completed Simplified Acquisition Procedures, which is required as per ____ Policy, Section __, Paragraph ____.*

C. *Recommendations:*

Provide recommendations for the above weakness.

EXAMPLE: The cardholder shall complete the Simplified Acquisition Procedures course to ensure compliance with the ____ Policy no later than _____. The Simplified Acquisition Procedures course is available online.

V. SUMMARY

The overall rating for your office resulting from this Purchase Card Management Review is: *(insert rating).*

This was based on the ratings received for each of the following elements:

Statutory, Regulatory and Procedural Compliance:	(insert rating)
Business Practices and Judgment	(insert rating)
Management Effectiveness	(insert rating)

The review was conducted using all available resources and guidance, especially in the area of risk management and oversight. This is the focus of the DOI Purchase Card Program Risk Management Team, of which *[insert servicing acquisition office]* is an active team member and one of the *[insert operating unit name]* Representatives. The recommendations that we have made are to improve and ensure that your purchase card program adheres to the policies and regulations.

Please provide your plan of action to comply with these recommendations no later than *(insert date)*.

END OF DOCUMENT and END OF ICCP Policy